

June, 1957

Good community
relations —page 1

Knight elected CUNA
president —page 6

THE

Credit Union

OFFICIAL PUBLICATION OF THE CREDIT UNION

EXCHANGE

UNIVERSITY MICROFILMS
313 N FIRST ST
ANN ARBOR MICHIGAN

ON THE COVER

A member of the Mutual Credit Union of Vicksburg, Mississippi, works on a model of the harbor and tidal area of Charleston, South Carolina. This is part of the work of the waterways experiment station of the Army Engineers. See story on page 11.

The Credit Union

Bridge

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COMING SOON

Paycales for credit union employees

What's in the big Federal Reserve report?

Wife, grandmother, and credit union manager, Dyalthia Benson has pioneered in building good relations with bankers and savings and loan officers in her town. The result is a strong credit union and a thriving community.



Good Community Relations

TWENTY-ONE years ago, the bankers of Hereford, Texas, were among those who welcomed the chartering of the Hereford community credit union—because they realized there was a need for a small-loan institution.

Since then, thanks to the drive and charm of an energetic woman treasurer, the credit union has picked up 2,400 members in a town of 8,500, and gathered assets of over \$1 million. The credit union and the banks together have shown there is a distinct community need for both kinds of service.

A year ago the two banks for the first time set up small loan departments. One bank tried to hire the credit union treasurer, Mrs. Dyalthia Benson, as its small loan officer, but she told them she preferred to stay with the credit union. She has lived and breathed credit union philosophy for so long now that she can't change.

That two banks and a large credit

union can thrive in a town of 8500 population is proved by the fact that within the past six months both the credit union and Hereford State Bank have acquired new buildings, and First National Bank will be in its new building in less than a year.

Another measure of Hereford's healthy financial climate was the organization last fall of the High Plains Savings and Loan Association, which expected to make its first loans in May or June. Mrs. Benson was among the early investors in the savings and loan, because she wanted to see home-loan money stay in Hereford. The two banks hadn't been making home loans, and Hereford citizens were going to Amarillo or to Clovis, New Mexico, for home financing.

Just as the credit union and the banks have cooperated for years, so the credit union is already working with the savings and loan group. In April, before savings and loan money was available, two Hereford couples

needed mortgage loans, one to buy a house, the other to build. The credit union made the loans on a single-payment basis, with the savings and loan group agreeing to furnish the long-term mortgage in September.

Bank employees as members

Employees and officers of both banks are long-time credit union members. Until the banks established their small loan departments, these members frequently borrowed from the credit union. Now some of them have transferred their loans to their own banks, but they've kept their savings in the credit union, which has paid a 4 percent dividend continuously except during the war years, when it dropped its rate to avoid competing with war bond sales.

A combination of personal friendship and professional respect has kept the credit union and the bank officers on good terms. They visit one another's homes, attend social events

Mrs. Benson learned about credit unions while working as a social worker. She likes credit unions better than social work, thinks they're more constructive. The local bankers, shown at right, respect her; one asked her to head his personal loan department.



together and sit down during business hours and discuss what is best for Hereford and for Deaf Smith County.

Townsend Douglas, president of Hereford State Bank, expressed this good feeling when he said, "We want our small loan department to grow, but we will never aim our advertising at the credit union."

Cliff Acker at First National Bank has often furnished loan references and security advice to the credit union.

Last fall, one credit union member defaulted on both a credit union loan and a bank loan. The two lenders pooled their collecting authority and got both loans paid in full.

The credit union has borrowed money from both banks and also usually keeps cash deposits in both banks, though the money goes there only if the members' loan demand falls off.

One Hereford attorney is retained by the credit union and Hereford State Bank; he is a member of the credit union board of directors.

When Hereford State Bank held open house in its new building last fall, the credit union ran a congratulatory ad in the local newspaper and also sent flowers. When the credit union's open house took place in February, both banks ran congratulatory ads and both sent flowers.

Earlier, when the credit union started its building program, Hereford State Bank offered to sell the credit union some of its fixtures. President Townsend Douglas also offered to let his employees help move

the credit union into its new home.

In general, loan application size determines whether the credit union will grant a large loan or will send the borrower to the bank. The credit union features a personal counseling service; it will turn down a loan regardless of size if the loan will overburden the member with payments. Mrs. Benson says, "I know some of our members are borrowing from the banks now because they figured we would say that the loan was too much for them."

Occasionally a credit union member will apply for a loan at one of the banks first. Recently some Deaf Smith County farmers wanted to enter caged hen and dairy cattle production and offered farm machinery as security. Bankers wouldn't grant the loans, but the credit union did.

Between 1936 and 1953, the credit union grew slowly, accumulating \$225,000 in assets, and the banks paid little attention to it. Then the credit union started growing about \$200,000 per year until it passed the million-dollar mark in February, 1957. Now the bankers are well aware of the credit union and its million-dollar loan volume. But close personal contact between the credit union officers and the bankers, plus credit union members' loyalty and their recollection that the credit union has been their constant source of financial help, have kept relations amicable between the credit union and the banks.

A credit union and two banks couldn't prosper side by side in any

but a progressive community. Hereford, Texas, which once made a national name for its high-fluoride-content water, thrives on a healthy, hardy citizenship made up mostly of families whose roots extend deep into the Texas soil.

Windy tabletop

The Texas Panhandle is a high, semi-arid tabletop scarred by occasional canyons and a stray river. The wind blows forever. In winter, you have wind-driven snow and wind-lofted ice, isolating towns and breaking power lines. In summer, you have a steady, warm, dehydrating breeze, but cool nights drive everybody under light cover. In spring and fall the wind raises giant sandstorms, blackening the sky and choking the air supply.

County seats like Hereford look pretty much alike. Each is built around a courthouse square, with some paved streets and some chalk-dry dirt paths running off accurately to the four points of the compass. In Hereford there's a suggestion of Mexican architecture: rounded corner lines, flat roofs and earth colors. The newer homes, though, are sprawling ranch style, frequently brick and always spacious. The West Texan won't be fenced in, not in his own house.

Downtown the stores are busy, the merchants friendly. Nobody high-pressures a potential customer, and there's never too much business rush for a little visiting. "Mr." and "Mrs." don't have much use in Hereford, be-



cause everybody goes by first names. The credit union and the banks are dealing with people they've known all their lives.

Hereford is the only large town in the county, population 14,100. It sits near the county's southeast edge, away from the New Mexico border which encloses the county on the west. Because of Hereford's county corner location, the credit union's 25-mile membership radius takes in parts of four counties.

Distances between towns on the Texas plains are great, and Hereford people would just as soon drive fifty miles to Amarillo as drive around the block. The Santa Fe railroad and U. S. Highway 60 give Hereford two main arteries. The town has six civic clubs, a Chamber of Commerce, nine schools, 20 churches, one hospital with 65 beds, 16 cafes, two theaters and a public library with 25,000 volumes.

Hereford got Texas-wide attention recently when Humble Oil Company's weekly 30-minute television film included about ten minutes on Hereford. A TV cameraman-reporter came to Hereford at the invitation of the credit union and spent four days photographing the town at work. The film included pictures of the new credit union office.

The credit union, in helping arrange this community-wide publicity, considered it just another of its community services. Here are some of the others:

1. Churches, lodges and civic clubs can make institutional loans through

the credit union. Any three officers of the institution may arrange the loan, giving their signatures as security.

2. Homestead loans, to finance the purchase of real estate lots, get special interest rates, starting at 1 percent per month for the first six months, $\frac{3}{4}$ of 1 percent for the next six months and $\frac{1}{2}$ of 1 percent for the balance of the note.

3. Needy college students can borrow up to \$300 per year at an interest rate of $\frac{1}{2}$ of 1 percent per month.

4. In May this year the credit union offered its first \$200 scholarship to a graduating senior of Hereford High School.

Helping the young

5. Youths and children are encouraged to set up savings accounts, and the office is practically turned over to youngsters on Saturday mornings.

6. The credit union has a standing suggestion that a gift at any "stork" shower be a credit union account in the baby's name.

7. Credit union newcomers are encouraged to follow a level payment plan so that part of each payment goes to savings and part to loan payment.

8. Husband and wife are encouraged to come in together if possible and discuss the family financial problems.

9. Loan applications are handled on an appointment schedule, but drop-in customers are waited on rapidly.

10. A nine-man educational committee is completely replaced each year, encouraging more member participation. Former members of the committee become "life-time" educational committee associates.

11. A drive-in window with a paved entrance and exit offers convenient loan and share payment facilities.

12. The credit union's new \$50,000 office, located on the courthouse square, permits business transactions in confidence. It was designed to be expanded in back or to be redesigned in front.

13. City, county and state tax rolls benefit by every item the credit union owns, from real estate to adding machines.

14. All local advertising media share in the credit union's educational and advertising program.

15. Credit union officers' loyalty and length of service creates assurance for members. Some officers' service goes back continuously to the credit union's first days.

16. All-out drives are made to build annual meeting attendance. Door prizes are five dollar bills, which the credit union suggests be used to buy a new share.

17. When the Hereford Federal Credit Union realized that the town of Friona, within the credit union's membership area, was large enough for its own credit union, it surrendered that part of its territory and helped start the new credit union.

18. In all stages of its building plans, the credit union used local



labor and materials, thus keeping the money in the community.

Hereford Texas Federal Credit Union is so much a part of Dyalthia Benson's life that she speaks of it almost like family. Indeed, the credit union has played a major part in most of her adult life.

Go, go, go . . .

To Dy Benson, community service through a credit union is an irresistible challenge, like mountain climbing. This quiet-voiced 48-year-old grandmother has the drive and dedication of an evangelist. Immune to fatigue, during the war she ran the credit union, a county Red Cross chapter and county welfare work, and kept house for her husband and son. When, five years ago, she gave up other jobs, she committed herself wholly to credit union work, becoming Amarillo chapter president and a Texas league director.

Reticence about the credit union is not one of Dy Benson's failings. She says, "We have no reason to be timid about our story—we really have a message. And milktoast publicity and interest is not enough!" Keeping herself in the background, she continually pushes the credit union forward.

If Dy Benson, eldest of two girls, had tried to please her mother she would have taught school. Her father, William Stovall, was a rancher. Somehow the business bug hit Dy. After graduating from Hereford High School in 1926, she took secretarial training.

She worked as a secretary until June, 1928, when she married E. L. Bradley, a rancher. Their only child, Bill, was born in August, 1929; he is now the father of two girls and works for a lumber yard in Hereford. E. L. Bradley died in 1946 after a lingering illness, and Dy remained single until 1955, when she married Henry N. Benson.

In the early 1930s, the Texas Panhandle battled two enemies—depression and dust bowl. Ranchers fought to save their basic herds from the dust and to save themselves from bankruptcy.

Jobs were scarce, and when Dy Benson's niece left her secretarial job in 1934 for surgery, Dy returned to work after six years as a housewife. She has worked every day since, first as a bookkeeper, then as a welfare case worker. After the credit union was started in 1936, Dy Benson talked credit union as she made her welfare rounds, collecting dimes and quarters in savings from people who had a steady diet of dust and debt.

When the Texas Relief Commission was established in 1936, Dy was made assistant district supervisor in the Texas Panhandle, with a nine-county area. She supervised local case workers and also established permanent county welfare offices.

In 1937 she resigned the traveling job and returned to the ranch with her son and husband, but she soon re-entered welfare work as administratrix of Deaf Smith County's welfare program. Also, about that time,

she became credit union treasurer. She kept these two jobs and added the Red Cross chapter executive secretary's duties during World War II. In 1952 she left the Red Cross, and in 1953 she resigned her welfare job, leaving her free for full-time credit union work.

Though she stayed in welfare work nearly seventeen years, Dy Benson never enjoyed doling out relief payments. Her vision of true welfare work was not a picture of a dependent farmer holding out an empty hand for his ration but instead an optimistic man saving every cent that he could, borrowing money if he had to and paying it back by his own labor. She saw the value of the credit union because she was spending her days with the people who needed it most.

The days are shorter

Dy Benson is a complex person—part efficient businesswoman, part devoted mother and grandmother, part public servant. As long as the subject is credit union, she never runs out of words. "Credit union isn't a job," she says. "It is more like a hobby, and I never tire of it—but I am concerned how short the days seem to be lately. I have been so enthused about telling the credit union service story that actually it has become a conversation topic when I am in any crowd." It's common for her to put in several hours at the office, then walk out on the street and find somebody to talk to about the credit



Hereford Community Credit Union makes a special effort to help teen-agers, gets a lot of teen-age business Saturday mornings, makes a lot of bicycle loans.

union, whether he's a member of the board of directors or a Hereford citizen who hasn't yet become a member

Like a typical West Texan, Dy Benson looks like a friend of sun and wind. Her complexion is freckled and slightly leathery, her hair is russet tinted by sun and sand. She smiles freely, laughs quickly and applies a firm handshake either when meeting a stranger or when bidding a friend goodbye.

She can explain the brotherhood aspect of a community credit union because she is a Christian leader, the first and only woman member of the official board of Hereford's Methodist Church. She has the authority of a business leader because she is a past president of the local Business and Professional Women's Club.

As a former chapter president and league director, Dy Benson commands respect from other credit union leaders. She says, "I have told our members, the people of our chapter, and the people at league meetings that operating these credit unions is not enough. They have a debt to pay, simply by passing along to others the story of credit union services. And who else can tell the story? I keep saying to our members, 'Tell your friends, your family, your neighbor, they will always count it a favor.'"

Public welfare work taught Dy Benson that the majority of family troubles start from financial worries. To ease those worries, she says, "We have made it our policy to take plenty of time with a borrower as he

makes his application and to discuss his financial situation and try to plan how he can provide more security for his family under his present income."

Share ownership is another selling point. "We explain that our federal charter makes us non-profit, and that we serve each member without profit; however, should we make a surplus, he is entitled to his pro-rata part as voted by the members. Many times merchants, as well as others in the loan business, tell us that we collect loans that they could never collect. After you have explained to a member that an organization is here to give him service at the least cost, he will protect that organization and he helps it to grow by talking about it."

Favors interest refund

"We paid our first 4 percent interest refund in 1955 as an experiment. On 1956 interest paid we refunded 6 percent. This interest refund is definitely a good return and favors the man who is still needing money. I hope we can raise our interest refund to 10 percent this year. I believe the 4 percent return on savings is fair and that 10 percent interest refund makes a well balanced return to the borrower as well as encouraging borrowing through credit union.

"On both dividend and interest refunds we credit the amount to the member's account and advise that those amounts have 'gone to work for him'. We explain that anytime a member wishes those returns we are glad to write him a check. We try to

make it known to all that their savings are available for their use; however, when the member does come to the office, we take time to explain the advantage of borrowing under loan protection insurance, leaving savings to earn dividends as well as provide security under life savings insurance. Most members appreciate this plan, knowing it is harder to save the second time. Wives usually insist that savings be left to grow for the security of their family."

Student loans, which draw $\frac{1}{2}$ of 1 percent per month, are designed to supplement the student's earnings or his parents' help. Loans are made payable on or before September 1, giving the student a chance to make the payment out of summer income. The Hereford credit union makes 20 or 25 student loans each year, with a maximum of \$300.

Another valuable contact with youths is through the school Distributive Education program, under which a student attends school a half-day and works a half-day. The credit union regularly employs a DE student. "This," Mrs. Benson says, "is not only advantageous to the student, but gives us a link with the schools. We always hope that the student will want to continue working in our program."

Classroom talks by Mrs. Benson are a Hereford school tradition. "We have encouraged the newspaper boys by helping them buy bikes for delivery. If a student wants to buy a car, we ask the parent to sign the note

(Continued on page 24)



As Melvin Wideman, far right, congratulates new CUNA president, William O. Knight, Jr., six new men join the CUNA executive committee.

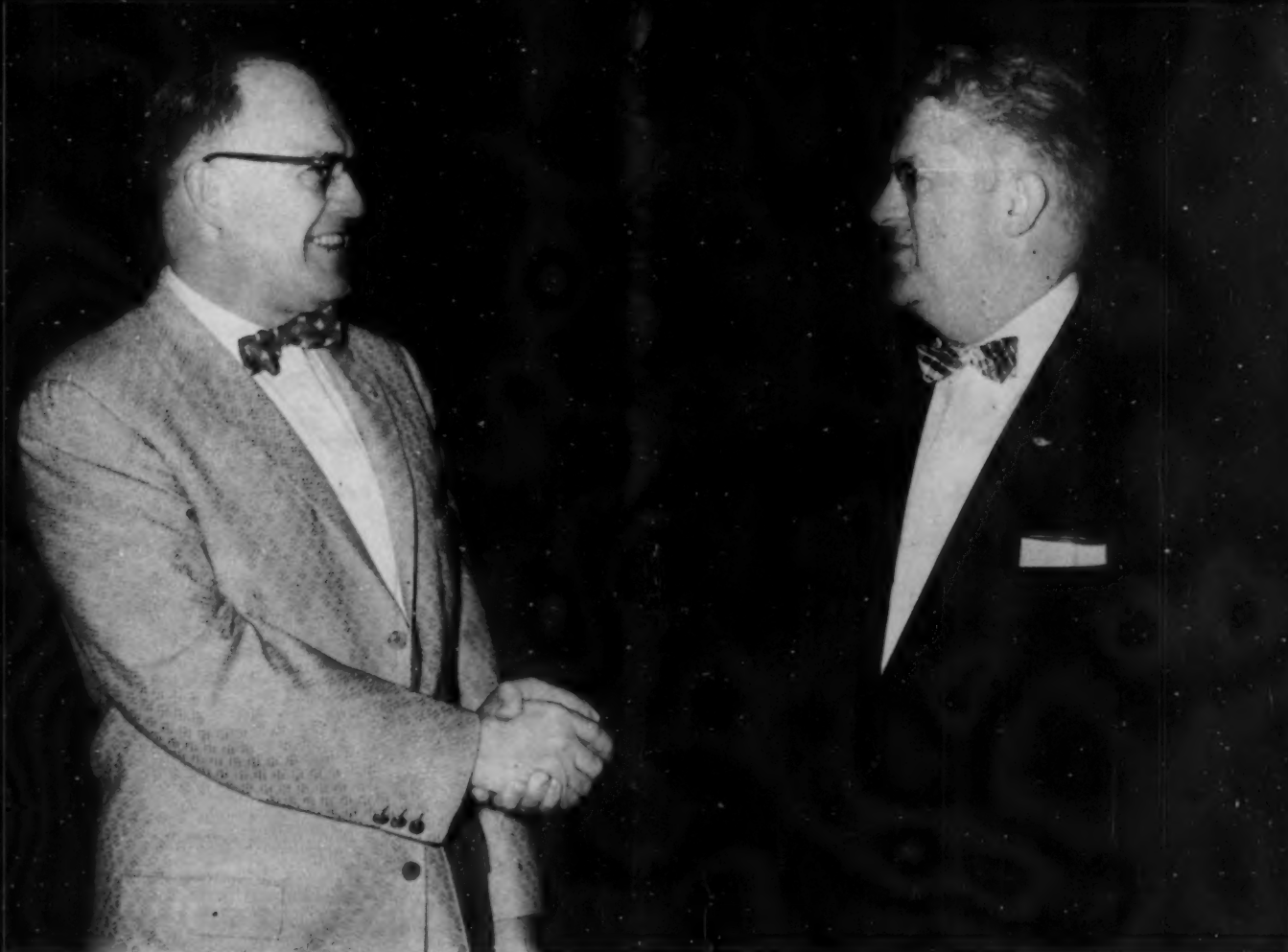
The new men, above, are Harry McArthur of Illinois, Julius Stone of Massachusetts, Cecil Burdick of Texas, Arthur Parsons of New Mexico, John W. Homer of Ontario and James A. Grant of the District of Columbia.

Also reelected to the executive committee were three veterans: Joseph Moore of Pennsylvania, Robert F. Williams of British Columbia and Harold Wingstad of Nebraska.

KNIGHT

- William O. Knight was elected president of the Credit Union National Association, replacing Melvin H. Wideman.
- H. Vance Austin was reappointed managing director of CUNA.
- The CUNA Supply board was placed on a three-year rotating basis, so that in future years only one-third of the directors' terms will expire annually.
- Leonard R. Nixon was reelected president of CUNA Supply Cooperative, and Harold R. Moses was elected president of CUNA Mutual Insurance Society.
- A ceiling was placed on CUNA dues rate, leveling it at eight cents

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chosen president of CUNA

per member for all leagues in 1958.

These were among the principal developments at the annual meeting of the Credit Union National Association in Omaha last month.

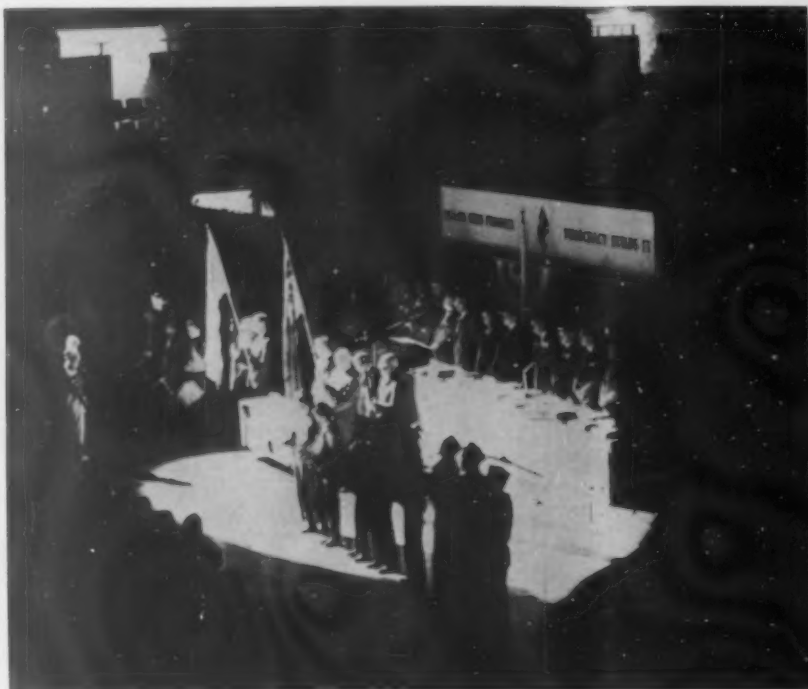
As in the last four elections, the political temperature ran high. Knight, who served the last two years as secretary of CUNA, was identified with the group led by H. B. Yates and Melvin Wideman; this group has won all CUNA elections since 1953 in the name of modernization. Opposing Knight as a candidate for the presidency was Carl A. Bowman of Los Angeles, on a platform suggesting that "expansionism" has gone too far. The 196 national directors present

split their votes 105 for Knight, 91 for Bowman. Knight comes from Sioux Falls, South Dakota, where he is clerk of the municipal court.

Three controversial issues occupied most of the national directors' attention, aside from elections. These were the question of CUNA's membership in the Cooperative League of the USA, the CUNA dues schedule, and the election machinery by which CUNA executive committee members are chosen.

The Bowman group made the Co-op League issue central in its political campaign. It charged that Co-op League spokesmen appearing before Congressional committees and other

groups had given a false impression that they were speaking for the credit union movement on issues on which they had not been authorized to speak. Jerry Voorhis, executive secretary of the Co-op League, appeared before the meeting to answer questions, and said he had taken steps in cooperation with CUNA officers to avoid further misunderstandings. The CUNA executive committee adopted a statement praising the Cooperative League for its work in combatting "tax equality" propaganda. The CUNA national directors adopted a resolution calling for withdrawal from membership in any organization
(Continued on page 26)



The CUNA annual meeting traditionally begins with a parade of American and Canadian colors, followed by a sung version of the prayer of St. Francis.

The 196 CUNA national directors now represent 59 credit union leagues. The British Honduras Credit Union League was admitted to membership this year. A code governing relations between CUNA, its affiliates and the Leagues was approved by the meeting.





Four members of the CUNA Supply Board, which has just been reestablished on a three-year rotating basis. Top, John F. Ryan of Quebec, who was elected vice president. Below, three new board members: Edwin Eich of Wisconsin, John V. Nation of Ohio, L. E. Gates of North Carolina. Not shown: Leonard Nixon, who was reelected president.

James A. Grant is the new secretary of CUNA; he comes from the Department of Justice credit union in Washington. William O. Knight Jr., the new president, is part-time managing director of the South Dakota League. Robert F. Williams, who holds over as treasurer, has been a director of the British Columbia League since 1940.

Operation Impact, a new program of educational and advertising materials, scored a hit with the CUNA Supply membership meeting.





Harold Moses, the new president of CUNA Mutual Insurance Society, is an attorney with the Farm Credit Administration in New Orleans and served as president of the Louisiana League and secretary of CUNA.



J. D. Nelson MacDonald, now vice president of CUNA Mutual, is a clergyman from Nova Scotia and has long been active in the cooperative movement in the Maritime Provinces.

C. Frank Pratt, secretary of CUNA Mutual, is a past president of the California League and comes from the California State Employees Credit Union Number Two. He has been active in credit union work for twenty-one years.

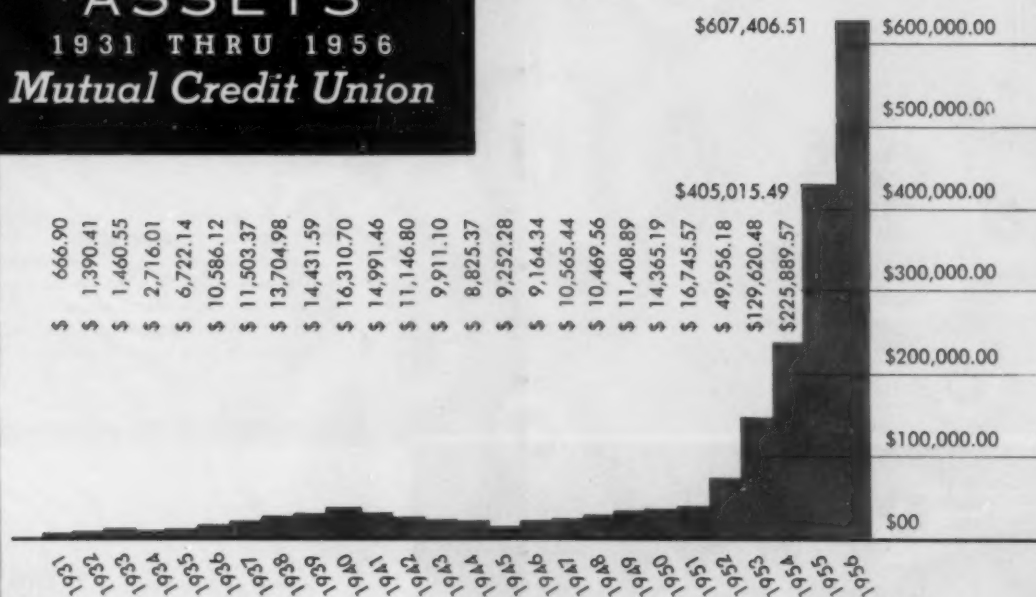
A. P. Quinton, CUNA Mutual treasurer, is a member of the board of directors of the Ontario League. He helped organize the T. H. and B. Railway Employees Credit Union in 1941, and served until this year as a CUNA national director from his province.



ASSETS

1931 THRU 1956

Mutual Credit Union



after twenty years . . .

SUDDEN GROWTH

Advertising and more liberal policies have started this Vicksburg credit union growing like a mushroom. It's now one of the healthiest and most vigorous in Mississippi.

STEADY advertising and liberalized service explain the dramatic increase in growth of Mutual Credit Union of Vicksburg, Mississippi since 1951.

This, one of the oldest credit unions in Mississippi, serving employees of the Federal government, had about \$12,000 of assets for twenty years. It neither grew nor withered.

Then, five years ago, the credit union began to use posters, circulars, leaflets and bulletins. It kept the office open at hours when the members could make use of it. It loosened up strict requirements on collateral and limits on shares.

Growth came fast, assets rose from \$16,000 in 1951, to \$50,000 in 1952, \$130,000 in 1953, \$226,000 in 1954, \$405,000 in 1955 and \$607,000 in 1956. With a potential membership of 1,571, Mutual now has 1,575

members—which of course includes some family accounts.

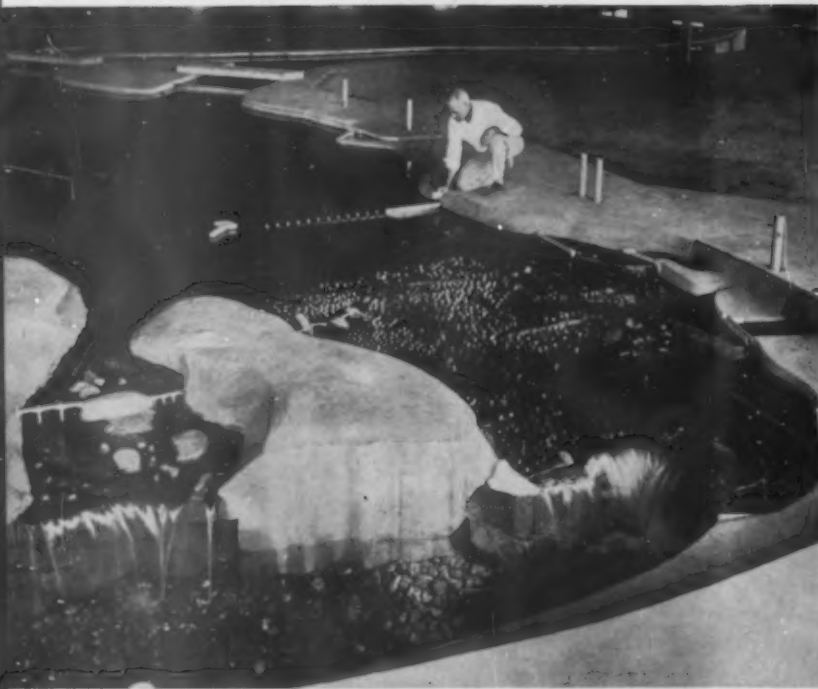
Interestingly, this change took place with many of the same directors and committeemen holding office. The official family of this credit union have been loyal and conscientious; many of them have served ten years or more. Mutual was organized in 1931, when there was no league in Mississippi to give them assistance. Like many credit unions organized in the early days of the movement, the Mutual group approached their duties cautiously and circumspectly. They demanded a large number of co-signers for a small loan, they fined delinquency heavily, and they acted slowly on loan applications.

Today they have accepted a more liberal credit union philosophy. Loans are processed speedily. Where once unsecured loans were limited at \$50 by state law, now money is



Near right: President Philpott, banking comptroller McMullan and treasurer Hudson gather around the checkbook. Far right: State banking comptroller W. P. McMullan, Jr., visits a Mutual Credit Union board meeting and congratulates the group for their current growth.

Left: The work of the Army Engineers stationed at Vicksburg is mostly flood control and navigation improvement. The boat at the top pulls snags from the river. The model is Niagara Falls. At bottom, a blanket is being laid against the bank to check erosion.



loaned on signature up to \$300. The multitude of endorsers that used to be required have now given way to chattels on cars, furniture and appliances. Loans covered by shares need no credit committee action. Character rather than collateral has become the basis of the lending operation. In addition, where members used to be limited to \$250 in their share accounts, the limit has been raised to \$2,000.

The chief change in the officer group has been the election of W. E. Hudson, Jr., as treasurer.

Saw advertising need

Hudson is a young attorney who works for the Army Engineers. He served one year as a member of the supervisory committee, then suddenly found himself in the treasurer job.

Credit unions meant nothing much to him, but as he dug into the credit union records and literature, he became fascinated by the possibilities for service that he found in this quiet organization.

Being naturally a friendly and obliging type, he began working overtime for the credit union. He ordered five subscriptions to the CUNA Supply poster-a-month series, and put them up each month around the various buildings in which the members work. He bought bundles of CUNA Supply leaflets describing credit union services. He distributed CUNA Mutual leaflets that explain



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loan protection and life savings insurance. He worked up bulletins in two colors on a "ditto" machine, urging the members to boost their share holdings, make use of the loan service and come to the annual meeting. He can write clear friendly English, and he can draw a bit, so his bulletins are both informative and readable.

Mississippi is a loan shark state. Although the credit union act was passed in 1924, early in the history of the credit union movement, there has never been a good small loan law on the books. Hence so-called "loan brokers" offer loans from \$5 to \$50 at rates which are subject to no legal controls. The loan brokers go through the pretext of arranging loans with sources outside the state, which means their charges are called broker's fees rather than interest. At present, a committee of the legislature is drafting a small loan law, which will be introduced in 1958; meanwhile the people of the state are dependent chiefly on credit unions for protection.

Vicksburg, famous for its long resistance to military siege in 1863, is important today as a district headquarters of the U. S. Army Corps of Engineers. At Vicksburg, the Engineers maintain a waterways experiment station where they build large models of dams, locks, canals and tidal estuaries to help in planning major river navigation and flood control projects. There are 735 employees of the District Engineers

Service Record

The directors and committee members of Mutual Credit Union have given many years of service to their group. Here are the names of the present office holders, and the years each has volunteered to credit union work:

President W. E. Philpott	14
Vice-president J. J. McLeskey, Jr.	7
Secretary-treasurer W. E. Hudson, Jr.	6
Directors—	
T. L. Turner	25
A. M. Dean	9
C. W. Sherman	14
L. C. Marsalis	1
J. Thweatt	1
L. C. Hutchins	14
Credit committee—	
J. P. White	19
C. L. Swarts	5
Ralph Adams	5
Credit committee alternates—	
B. Anderson-Smith	1
W. E. Hollis	3
Ben Allen	1
Supervisory committee—	
H. S. Prosser	1
Clem Coccoaro	1
J. Laughlin	1

at Vicksburg; 562 employees of the experiment station; 161 employees of the Mississippi River Commission; as well as smaller numbers of post office, coast guard, agriculture, general services, weather bureau and recruiting personnel.

Federal employees are not permitted to use payroll deduction in their credit unions, hence the rapid growth of Mutual is all the more remarkable. With membership growing rapidly, members have added to their share accounts an annual average of \$140-\$150 each. Payments on loans have been coming in well without payroll deduction: the delinquency rate is about 4 percent.

With share accounts now over \$600,000, Mutual Credit Union has established a laudable record in building up the average share holding per member to \$400 in five years of active promotion. It is not hard to see the \$750,000 mark within easy reach, and the million dollar level not too far away. Since more than half the loan volume at present—about \$350,000—is for autos, and since borrowing for loan capital has lately been unnecessary, the officers and board are beginning to think seriously about broadening the loan service. At the annual meeting this year it was announced that the credit union would make a limited number of real estate loans at 5½ percent. It was also announced that the credit union was setting up a kind of revolving credit plan for the members.

This revolving credit plan is a novelty for credit unions. Mutual proposes to provide each member a standing amount of available credit, up to the state maximum for unsecured loans of \$300. Members have to apply for approval of this credit allocation, after which they



can draw on it any time during the year, up to the limit. Treasurer Hudson figures members who have been doing the same thing at the stores in town will now save about half the interest charges by drawing on this account at the credit union. Meanwhile, they will be spared the bother and red tape of making out separate loan applications each time they want to take advantage of bargain sales. The test of the effectiveness of such service, of course, is whether the members will save more by picking up bargains by this plan, or lose by building up interest charges on all their possessions. Hudson will be watching this attentively, but he is satisfied that he will be saving at least some of the members from paying rates that now range up to 23 percent at retail. He is also satisfied that the credit union's level payment plan on loans will keep the borrowers building up their share accounts.

In its 26-year history, Mutual has made its share of departures from orthodox credit union practice, and corrected most of them. Twenty-six years ago, at the beginning of the worst depression the world has ever known, it wasn't easy to know how liberal you could afford to be. Backed

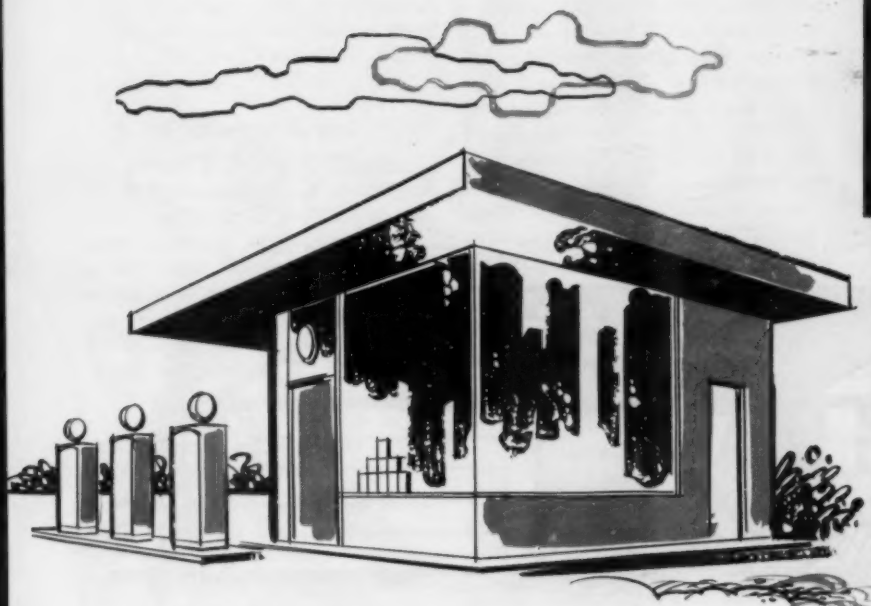
up by the drastic state law, the credit committee questioned every loan jealously, and called for co-makers by platoons. In 1934, disturbed by delinquencies, the credit union placed a 2 percent fine on delinquent payments, and income increased so steeply that the dividend rate went up to 10 percent. In 1937, the board decided to give borrowers extra assistance, and cut the interest rate on loans to $\frac{3}{4}$ of 1 percent per month. When loan protection insurance was added, rather than raise the rate back to 1 percent the board decided to add a small charge to each loan account, and this method is still being followed. The extra charge amounts to a 10 percent surcharge on the regular interest rate of $\frac{3}{4}$. By 1952, Mutual was paying a 5 percent dividend despite its cut-rate operation, and when life savings insurance was added in 1953, the dividend rate was not affected. Fines for delinquency have long since been abandoned. The credit union has become an active supporter of the Mississippi Credit Union League, and treasurer Hudson is on the League board.

Hudson handled the job of treasurer single-handed on a part-time basis until December, 1954, when the assets had reached \$225,000 and the

gross income was \$14,000. At that point, the credit union hired a part-time chief clerk, Mrs. L. E. Shipley, who was soon put to work fulltime. Mrs. Shipley is attractive enough so that she makes any visit to the credit union office a pleasure; she also has tact and intelligence, and her contact work with the members has been a big factor in keeping the growth rolling. It was her suggestion on level payment plans that has stimulated the share accounts of the borrowers recently. In 1955, the credit union added another full-time employee, Miss Yvonne Somerville, and these two now handle more than 1500 accounts between them. The office, which is approximately ten by ten, has long since been outgrown, and the credit union will move into new quarters this summer.

The history of Mutual Credit Union seems to prove that it's not hard to bring a credit union to life, even when it has been standing still for twenty years. A little advertising, a little attention to the members' needs and convenience, and loan and savings policies in line with general credit union practice, will bring members flocking to the door. It's never too late to start.

The Credit Union Bridge



MORE GOVERNMENT CREDIT

The trend in Washington is toward more government credit for three groups—small business, home buyers, farmers. Sometimes the government makes the loans, sometimes it merely insures them.

UNCLE SAM is a man of growing influence in the credit market. Through guarantee and insurance programs, he makes loans of many types "interesting" to private lenders. To a surprising extent, he sometimes steps in and makes the loan himself. The 1958 budget will increase this government program.

Generally, the present administration opposes government actions which interfere with the free play of the money market. Nevertheless it has yielded to the pressures which have been applied by farmers and businessmen who have trouble finding loans in a "tight" money market.

Increased Lending

The 1958 federal budget provides for a considerable expansion in the volume of direct federal lending to farmers and small business. In the housing field, the emphasis has been on making FHA and GI insured mortgages more attractive; but here, too, there is an increase in the volume of direct lending to GIs.

Direct federal lending of this kind on a wide scale is a relatively recent development, and a fairly controversial one. Until World War II government generally contented itself with programs to guarantee or insure loans by private lenders. But

direct lending activities developed to expand business during World War II have continued since the war, and have been applied in housing and agriculture despite grave misgivings over the wisdom or propriety of government aids which give one business or individual a competitive advantage over another.

Government's intervention in the credit field started with the founding of the Federal Reserve System in 1913, when it was agreed that some central mechanism was needed to adjust the volume of money to fluctuations in the demand for loans. As "banker's banks", however, the Federal Reserve Banks are not allowed to make direct loans of their own, so the creation of the Federal Reserve System failed to eliminate shortages of credit which troubled the economy in periods of crisis and rapid expansion.

Moreover, Congress and The White House held widespread misgivings about direct lending. Dangers of political abuse were recognized. There was inherent doubt that government lending could be as effective as a properly developed system of private lending.

As an alternative, the government "invented" a formula involving the use of public funds and credit to stimulate development of private in-

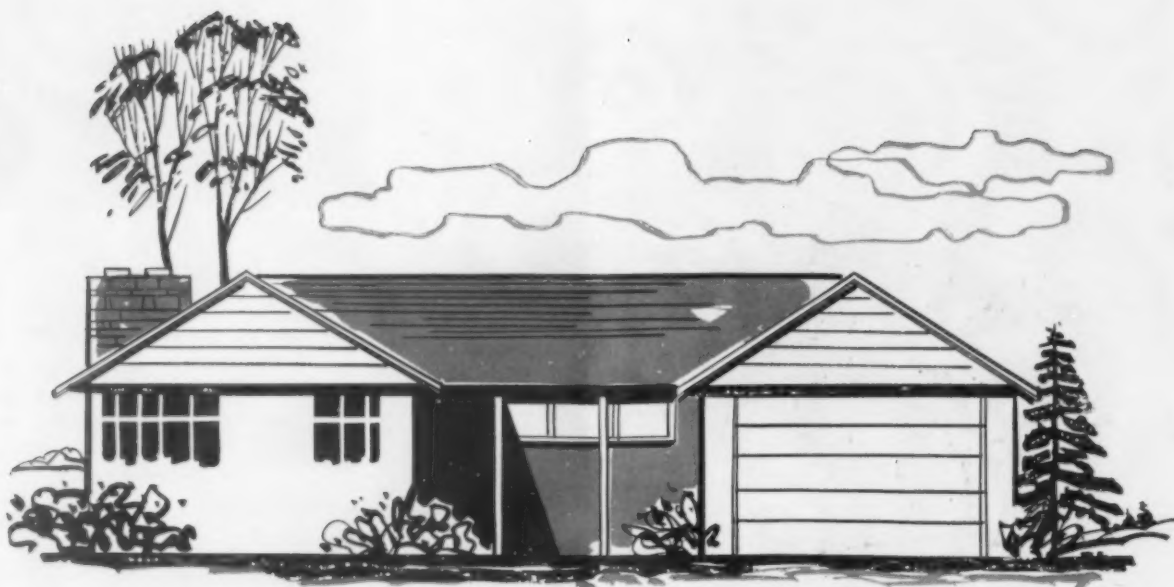
stitutions geared to a particular need.

Often this involved setting up an independent agency, with a revolving fund which could be used to make direct loans to specialized local lenders, or to guarantee loans made by these groups. By collecting fees or interest, the institution supported itself. In many instances its earnings were sufficient so that the initial federal investment could be repaid.

Started in 1916

The pattern was established in 1916, when 12 Federal Land Banks were set up with federal funds to make long term mortgage loans on farm real estate. Eventually, as the farm land program developed, 1,145 national farm loan associations spawned around them to do the actual lending. Now these farm loan associations have acquired the controlling stock in the Land Banks, and the government's investment has been fully repaid.

Variations of this plan have been used in many fields. For example, in agriculture, a network of 13 Banks for Cooperatives was set up to help the farm co-ops improve their facilities. These banks are already partly owned by the borrowers. In the housing field, the FHA mortgage insurance program, financed by a charge on all insured mortgages, is more



than self supporting, returning a "profit" to the government.

The Federal Deposit Insurance Corp., which insures bank accounts, has fully repaid the initial government investment, while the Federal Savings and Loan Insurance Corp., which insures savings and loan accounts, is in the process of retiring its federal fund.

Sometimes the government sets up a "secondary" market to restore liquidity to normal lending institutions. This was the original function of the Reconstruction Finance Corp., founded in the "great depression" to buy up securities held by banks, so that lending institutions would have funds to start credit flowing again. It's the function, too, of the Federal National Mortgage Association, which buys less attractive mortgages so that banks and savings and loans will be free to make additional commitments.

The advantages of indirect intervention in the credit field have generally appealed to "middle-of-the-road" Americans. While they accept the fact that government must help provide sources of credit, they generally agree that insurance and guarantee programs which stimulate activity by private lenders are the "businesslike" way of doing things, with the opportunity for political

favoritism kept to a minimum. Moreover, costs are low, and the volume of new credit generated by this combination of public-private lending is many times what it would be if loan resources were limited to what the government could afford to place directly.

There are various estimates of the total amount of activity which the government carries on in the credit field. Under the broad definitions used by the Hoover Commission, it is possible to count 104 incorporated or unincorporated entities extending, guaranteeing or insuring loans, with credit outstanding adding up to \$244 billion. Actual federal investment totals only \$16.9 billion, however, although another \$14.1 billion could be advanced by these agencies if needed.

Aim: provide capital

Despite the multiplicity of agencies, there is a principle that generally holds true. Unless there is a "fluke" case here or there, federal agencies aren't putting up funds to underwrite instalment purchases for consumption purposes, or to help pay off overdue medical bills. Government programs are generally intended to provide capital funds—for the expansion or operation of a farm or a business,

for the purchase of a home, or for modernization and equipping of farm, home or business.

Most of the government lending programs fall in one of three fields: housing, agriculture or business. In each instance the initial reliance was on indirect programs to stimulate private activity. Recently, however, particularly in periods of "tight money", there have been irresistible pressures for a limited amount of direct lending in specialized situations in all three fields.

Government's willingness to insure mortgage programs in the housing field, particularly in the postwar period, is regarded by many as one of the major social and economic forces of our time, keeping the housing industry at record levels of activity, and opening the way to home "ownership" and the trek to the suburbs for millions of citizens. According to the Hoover Commission, government guarantees and insurance in the housing field add up to well over \$50 billion, including \$18 billion of FHA insurance, \$22.6 billion by the Federal Savings and Loan Insurance Corp., and \$10 billion by the Veterans Administration.

In addition to the loan guarantee program, there has been a limited amount of direct lending by the VA on home mortgages. With mortgage

money hard to find at the present time, an organized—and unsuccessful—drive was staged in Congress this spring to put the VA into direct loans on a mass basis.

VA effort criticized

Sponsors of this project regard present lending activity of the VA as totally inadequate in the face of the current shortage of GI loan funds. As they see it, the entire reserve of the National Service Life Insurance program of the Veterans Administration—totaling several billion dollars—could be loaned out at 4 percent for GI borrowers, and still make a handsome profit for the insurance fund, which currently gets less than 3 percent from Treasury Bonds.

Actually, the VA is far from being out of funds at the present time. Under existing legislation it is authorized to make direct loans from a revolving fund which totals \$773.5 million. By recent count, it currently holds about 75,000 direct mortgage loans, involving about \$538 million.

One reason the VA still has uncommitted funds is that it is generally conservative about making direct loans. Its regulations say loans are not to be made if they are available from private sources. In applying this regulation it does not consider a loan "not available" simply because a penalty is demanded before it can be placed.

In practice, the VA uses a geographical formula to determine eligibility for direct loans. On the assumption that small communities generally lack adequate lending facilities, it makes loans to veterans in most parts of the country outside the 300 counties which contain the nation's major metropolitan areas. These direct loans are at 4½ percent, the maximum rate permitted by existing law, and they ordinarily run between 20 and 30 years.

Federal lending assistance in agriculture is clustered in two main groups. "Mutualized"—self-sufficient—credit institutions, like the Federal Land Banks, and the Banks for Cooperatives are clustered around an independent agency, the Federal Credit Administration.

And in addition there is the farmer's FHA—Farmers Home Administration—which makes direct loans and guarantees private loans for a

variety of farm purposes.

Recent tabulations show that institutions included in the Farm Credit Administration system made over 6.1 million loans totaling \$25 billion in a 20-year period. The 12 Farm Land Banks currently hold over 315,000 first mortgages, involving \$1.1 billion. The Bank for Cooperatives has over \$320 million of loans to permit expansion of some 2,000 associations. Federal intermediate credit banks, working through 499 production credit associations, presently have some 250,000 short-term loans providing farmers and stockmen with over \$750 million for production and marketing purposes.

These Farm Credit Association institutions are all self-sufficient, and generally they are all or partly lender-owned. Federal land banks are fully owned by the 1,145 national farm loan associations. Banks for cooperatives are partly owned by the co-ops, still partly owned by government. Over half of the production credit associations are entirely owned by borrowers, under a plan which requires farmers and stockmen to hold capital stock to the extent of \$5 for each \$100 of the loan.

Variety of farm loans

Where the Farm Credit Administration agencies operate with "revolving" funds, the Farmers Home Administration programs are based on annual appropriations by Congress. Designed chiefly for the benefit of the family-type farm, "FHA" offers a variety of loan services on a variety of terms.

Its farm ownership loans are made to tenants, sharecroppers, laborers and owners of inadequate farms at 4½ percent for terms up to 40 years. According to the 1958 federal budget the volume of these loans is expected to increase from 1,718 loans totaling \$19 million in 1956 to 4,480 totaling \$50 million in 1958.

Farm housing loans are made for periods up to 33 years at 4 percent for construction or repair of dwellings and other farm buildings. The volume of loans is expected to rise from 561 loans totaling \$3,720,000 in 1956 to 7,750 loans totaling \$50 million in 1958.

Farm operating loans are made for periods up to seven years at 7 percent, for purchase of livestock, feed, seed and equipment. Here the in-

crease will be more modest, from 72,454 totaling \$137 million in 1956, to 93,640 totaling \$180 million in 1958.

Farmers Home Administration also makes soil and water conservation loans for 20-year periods (for individuals) at 4½ percent (40 years for associations); special livestock loans for one to three years at 5 percent and emergency loans against drought, flood and similar disasters at 3 percent, with repayments scheduled according to ability to pay.

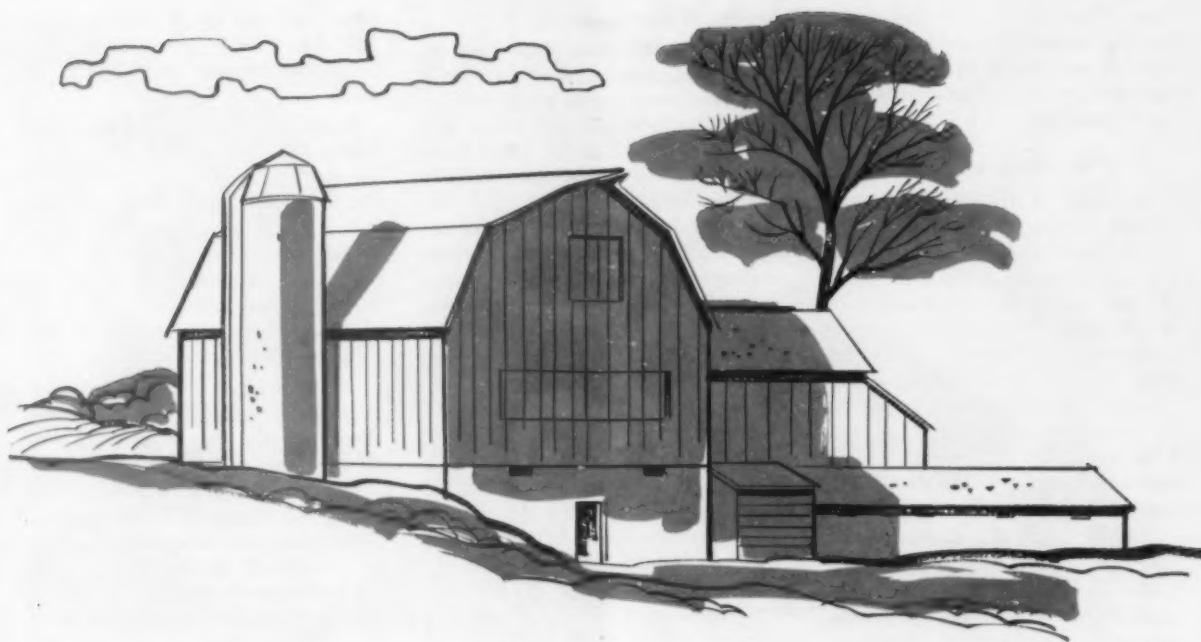
In the business field, government lending is still trying to live down the RFC scandals. Originally set up to provide liquidity for banks and other institutions which were hard hit by the "great depression", RFC's direct lending program gathered momentum as a result of the urgent industrial expansion needs of the World War II period. When the war ended, political considerations kept the program going; and Congressional investigators found that political considerations resulted in decisions to make several questionable loans.

Despite the RFC disasters, there has been no let-up in Congressional determination to operate a direct-loan program geared for "small business." With benevolent protection from Congressional sources, the Small Business Administration has been provided with ample funds for an active loan operation, and its portfolio of about 11,000 participation and direct loans covers businesses of all sizes and descriptions. A recent list, for example, included participation in an \$8,000 loan for a grocery with two employees, a \$41,000 direct loan to a plumbing contractor with nine employees, and a \$250,000 direct loan to a manufacturer of casement windows with 225 employees.

Loans the banks refuse

Like the VA, the Small Business Administration says it can make loans only when other financing is lacking on reasonable terms. It requires applicants to certify that banks and other private lenders are unwilling to make the requested loan.

In the recent rush of business, Small Business Administration obligated its entire \$275 million revolving fund for business loans. Before rushing off for the Easter recess, Congress rushed through an emergency appropriation enabling the agency to



go ahead with \$30 million of additional loans to about 300 borrowers.

Some of the Small Business Administration loans are "participating" loans by private sources, with SBA sharing up to 90 percent of the risk. Participation loans are made by private institutions at rates of interest up to 6 percent.

Direct loans from SBA are for 10 years at 6 percent, with a maximum of \$250,000 for any borrower. Small retail, wholesale or service institutions which are unable to pledge tangible collateral are eligible for limited participation loans if they have good earnings records. Here the loan is made entirely through a private bank for a maximum 5-year period on a monthly repayment schedule at 6 percent, with SBA assuming no more than 75 percent of the risk, up to a maximum of \$15,000.

These attractive loan programs of the SBA aren't open to everyone. For example they are not open to businesses which intend to use the money for speculation, or to provide capital for institutions engaged primarily in lending or investment; for gambling businesses, or businesses engaged in sale of alcoholic beverages, or if the applicant is a newspaper, magazine or radio-TV broadcasting company.

Who is a "small business"? According to SBA, it is a manufacturer who employs 250 or less, and in

some instances where an industry consists of large companies, it may be a manufacturer employing as many as 1,000. It is a wholesaler with receipts of \$5 million or less or a retailer or service establishment with sales of \$1 million or less.

Outside of the three major categories — housing, agriculture and business—there are many other fields where the federal government provides credit assistance on attractive terms. The Rural Electrification Administration, for example, wired the countryside with over \$3 billion of loans to 1,000 co-ops for 35-year terms at 2 percent. The Bureau of Indian Affairs has loans totaling over \$10 million at 2 to 6 percent for purposes ranging from Indian business enterprises to the formation of Indian co-ops and individual education. Veterans who have government life insurance can borrow against these policies at 4 percent from the Veterans Administration, and there are nearly 250,000 loans of this type outstanding at the present time.

Many of the government lending programs came in for a severe hiding from the Hoover Commission because they continued long after they outlived their original purpose. Liquidation of the federal investment in some of the Farm Credit Administration agencies was speeded up after the Commission pointed out that many of

the borrowers were well qualified to finance themselves. REA was attacked as an example of an agency which had accomplished its original purpose—to bring electricity to the farm, but was continuing to make bargain-rate loans to "heavy up" the lines even though other credit facilities are available to many of the co-ops. And the RFC experience was cited with the notation that the agency was extended time and again for political purposes, and the lending authority was ultimately transferred elsewhere instead of being abolished.

The Hoover Commission agreed that "with relatively few exceptions" the lending agencies "have developed methods of organization which assure integrity, efficiency and great public service."

Similarly, the Commission's task force on lending institutions said it found no fault with the use of government credit "to stimulate the organization and development of new facilities needed in the nation's credit system, or with its use to strengthen the system when the need occurs."

"The principal objections to Government lending of this kind," the task force protested, is that "in a capitalist society like ours, it burdens the Government with risks of business and domestic enterprise, and encourages people to seek riskless investment for their savings."



starting out **BIG**

these Montreal aircraft workers got off to a fast start, thanks to an arrangement that gave them a full-time staff and a building of their own from the beginning

HOW fast can an industrial group get its credit union going? Is slow early growth necessary?

The Aircraft Employees Credit Union of Montreal, one of the fastest growing credit unions in Canada, signed up 2,500 members in three years and built up assets of \$260,000. Two things explain this rapid growth: a cooperative employer who provided a building and staff expenses at the start, and an aggressive full-time manager, named René Lachapelle, with a widespread network of collectors.

It isn't often that an employer wants a credit union for his employees so much that he pays staff salaries full time. But that's what Canadair Ltd. did. As a result, the credit union grew so fast it was soon able to handle its own payroll. And of course Canadair management quickly benefited from the services of the credit union to the employees.

Canadair Ltd. builds airframes. If you take a guided tour around the Canadair plant, you will see giant airliners and smaller jet fighters in all stages of construction. In one area

wings are being put together. In another, the giant bodies stand completed and ready to be pushed out on the runway. Here and there, big clay models rise above the busy work floor like ancient monuments, solemn and silent. The tail units of the finished jobs rise so high that special doors are cut for them in the side of the building.

Aircraft building is an up and down business. This January, Canadair was congratulating itself on a West German order for 225 Sabre VI's, which means \$75,000,000 of business. But there are times when work is slack and employees are temporarily laid off. The 3 Canadair plants employ 5,000 workers most of the time, and there have been times when the number runs up to 10,200 as it is at present.

This means employees with the least seniority are often under temptation to look for something steadier. You have to have a lot of seniority to be sure of your job in an aircraft factory. You have to find ways to support yourself during layoffs, either by saving or by finding

other work. There is no denying the interest of the work: walking around the plant, a visitor quickly feels that building planes is a challenging and proud vocation. But the economic problems of the newer employees are difficult.

This makes difficulties for the management too. How do you protect your employees from the hardest bumps? How do you help them through fluctuating income periods? What can you do to protect the company from getting into a tangle of pay advances and payday loans? How do you make the work sufficiently attractive so that employees want to hang on? How do you keep turnover at a minimum?

When the credit union was discussed with the personnel office, they liked the sound of it. They liked it so well they wanted to help. They offered space, telephone service, salaries for staff. The office was to be outside the Canadair plants, somewhere where it would be easy for all employees in the five buildings to drop in between shifts.

Handyman's special

What turned up was a little restaurant building, shaped according to the architectural traditions of the frozen custard industry. The lady who owned the building had made a small fortune selling French fried potatoes to the hungry; they had closed up the business. The building had been vacant for some time and it was taken over by the Aircraft plant.

However, it was an excellent location on a main highway, centrally located between the various Canadair buildings. Past it in the skiing season flows a procession of cars every Friday evening, many containing Canadair employees headed for the mountains.

Furniture was brought in, and the staff found themselves ready to handle visitors on a 8:30 to 5 basis. By now the credit union had been chartered for several months, but this was the point at which growth began.

Nine miles to go

The next eighteen months were hectic. The manager Rene Lachapelle organized a staff of 72 collectors, who are called *caissiers* in French, or cashiers. These were mostly men already performing various jobs for the union, and they now took on the



Building airframes is an up and down business. Layoffs come from time to time and may affect half the employees. The credit union helps employees stabilize their budgets.

extra responsibility of signing up members in the credit union, taking payments on shares and bringing in loan applications.

The manager now found himself making as many as three circuits a day of the 3 Canadair plants, picking up money from the cashiers. This meant as much as nine miles of walking, plus taxiing by car from plant to plant. It was a rugged job for Lachapelle; the credit union was growing, and his leg muscles were hardening, but the grind was too unremitting to be kept up forever. He kept pressing the company for payroll deduction, and after eighteen months the company agreed.

One other factor led Lachapelle to ask for payroll deduction. This was the fact that 72 men can use a good deal of company time in making credit union collections. Inevitably, in any group of 72 men, some are more productive than others. Lachapelle and the credit union board could see that while the best of the cashiers were bringing in a lot of money with relatively little use of company time, some of the others were using up a good deal of company time without showing much in the way of results. Rather than let this become an issue, Lachapelle pushed for payroll deduction and

began cutting down the number of cashiers.

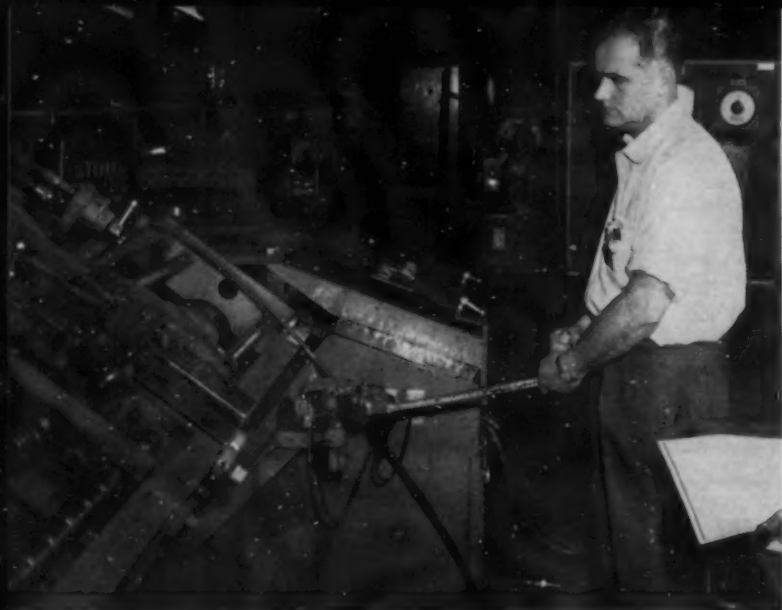
Today the Aircraft Employees Credit Union has 28 cashiers. About \$69,000 a month was coming into the credit union at the end of 1956 through payroll deduction, and the cashiers were bringing in about \$17,000 more.

It is now planned to replace the 28 cashiers spotted around the plant with 4 cashiers working in the cafeterias, and the manager estimates that once this change is made, the cashiers will be bringing in about \$30,000 a month. This will centralize the operation, tighten up communications, and protect the company from loss of time.

Signing up 1,900

However, Lachapelle cheerfully gives the original group of 72 cashiers great credit for getting the credit union started. They all helped, and at least half of them did an excellent job, he says. When payroll deduction began, the cashiers helped sign up 1,900 members; about half the money coming in through the payroll department goes into share accounts. The credit union now pays the company \$30 a week for this service.

The members of Aircraft borrow



Members of this aircraft group are scattered over the floors of five buildings. To get them signed up in the credit union, the manager organized a staff of 92 collectors.

for most of the usual purposes and for some not so usual. Opportunities in the aircraft industry for the technically skilled prompt a great many employees to sign up for technical courses, and last year the credit union loaned \$100,000 for this purpose. Another \$200,000 was loaned for medical expenses; the volume of medical loans is built up by the fact that workmen's compensation claims don't move too fast, and a man injured on the job sometimes has to wait six weeks or so before the insurance pays off. Other common purposes are car repairs, home repairs and furniture. Quite a few Aircraft members borrow cash to buy furniture from discount houses, where they can make a 20 to 30 percent saving.

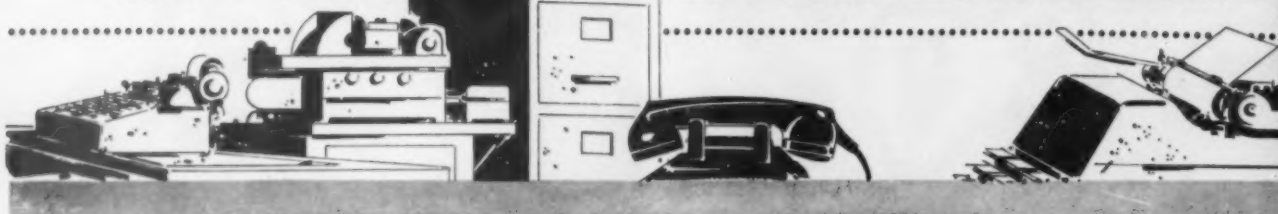
The credit committee meets every Monday night and as often as three times a week to take care of loan applications. Urgent loans are approved by telephone. Fifty dollar loans are made over the counter by the staff. The manager finds his board and committee members very attentive to their responsibilities and interested in the progress of the credit union.

Three years to sign up 2,500 members and \$260,000 of assets is a pretty impressive record. You can give the credit to an aggressive treasurer; hard working directors, committee members and cashiers; and a company management ready to back up the credit union with unusual co-operation.



COPY FILE

for educational committees



The material in this department is available in reprint form for distribution to members, under the heading *The Credit Union Family Digest*. Sold in bulk at two cents a copy; lower prices above 1,000.

Some Prices Up, Some Down

Retail prices on home appliances have fallen about 14 percent since 1951; they're forced down by keen competition among manufacturers and retailers, heavy production, rise of discount houses and general breakdown of Fair Trade laws.

Look for food prices to stay high this summer. Clothing will be slightly higher, used cars higher than last year with an expected drop after July 4th, houses at peak levels. There will be the usual summer price-cutting on 1957 TV models, with the 1958 models to feature a shorter wide-angle tube and subsequent higher prices.

Save When You Borrow

Here are three ways you can save money by borrowing from your credit union.

Shop the sales. Plan to buy all the shoes you need in January or July; buy television sets in June, refrigerators and washing machines in July; sheets and towels in January or May; winter suits and coats in December; furniture, rugs and mattresses in February. Borrowing money from your credit union will help you buy at the best price and save you money.

Take advantage of quantity prices. Many products are cheaper by the dozen or the case. It will often pay you to buy a quantity with two or three friends chipping in.

Keep things in good repair. It's false economy to put off a repair job on the roof or a trip to the dentist because you're short of money. Don't put off needed repairs or needed attention to your health.

Your credit union will lend you money for any good purpose.

Buying a Car?



YOUR automobile dealer will deal, up to a certain point. He is caught between the pressure of the buying public and the price-setting of the manufacturers. Don't expect miracles.

If you've got cash on hand and are shopping for a car, in most U.S. towns you won't beat these prices on 1957 four-door models (all eight cylinder): Ford Custom, \$1569; Chevrolet 210, \$1639; Plymouth Savoy, \$1595; Dodge Coronet, \$1747; Buick Special, \$1918; Mercury Monterey, \$1836.

You can't beat those prices, because that's about what the cars cost the dealer. He pays what the manufacturer tells him to pay, and he tries to set his price one-third more.

According to the trade press, auto prices are set yearly by a complex formula devised years ago. "Standard volume" is the key phrase—it means

sales volume in a "standard" selling year, determined by averaging out good years and lean years.

Nobody outside of manufacturing's higher echelons knows what any company's "standard volume" is. But after sales pass that magic mark, manufacturers usually give dealers rebates or outright cut their prices.

A good trick, then, in car buying is to give the other fellow a chance to buy first. If enough buy ahead of you, "standard volume" will be reached, and the dealer will talk bargains with you. It's just a gamble, and there won't be any headlines or advertisements announcing that GM, Ford or Chrysler has started giving dealer rebates. But if you want to play the "standard volume" price-drop game, give the dealers until August 1.

Costs: U.S. and Canadian

THE Canadian government is kinder to home buyers seeking government-backed mortgage insurance than the U. S. Federal Housing Administration. In Canada you pay a lump-sum insurance premium of $1\frac{3}{4}$ percent for a government-guaranteed mortgage. Thus on a \$10,000 mortgage, the Canadian government insurance fee is \$175.

FHA charges $\frac{1}{2}$ of 1 percent for the life of a mortgage. Thus, a \$10,000 25-year FHA-guaranteed mortgage costs the home-buyer \$625.

One life insurance company which holds 71,000 home mortgages reports that only $\frac{1}{8}$ of 1 percent are more than 60 days delinquent. This makes the FHA $\frac{1}{2}$ of 1 percent appear four times too high. Actually, some Congressmen have advocated a rate of $\frac{1}{4}$ of 1 percent, which seems to be adequate.

In either Canada or the U. S., the government mortgage insurance program is frequently misunderstood.



Neither government lends money to individuals to buy houses. The governments simply say to lending agencies like banks, building and loan associations and life insurance companies: "You loan this man the money, and if he won't pay you, we will; then we (the government) will worry about getting the money from him."

So the lender, who isn't taking any risk at all since the government will



pay him if you don't, lends you the money. And you, the home-buyer who will have to pay or go to jail, are charged the insurance premium which the government demands to cover its losses. You pay insurance premiums for the other fellow's protection.

The St. Lawrence Seaway project, with its heavy demand for labor this summer, has dramatized the flow of working people between the U. S. and Canada, but citizens of the two countries have been swapping homelands for years, sometimes to their sorrow.

U. S. living costs have traditionally

been higher than Canada's, but costs in Canada have risen faster in the last seven years than they have in the U. S. One estimate figures that U. S. costs are still about 4 percent higher than in Canada.

Food, especially staples like bread and milk, is cheaper in Canada; men's and boys' clothing is cheaper in Canada, but women's clothing is cheaper in the U. S.; cars, car maintenance and home operation is cheaper in the U. S.

The family man with several children gets a tax advantage in the U. S., with a \$600 exemption for every member of the family compared to the Canadian deduction of \$150. But the Canadian government gives a "baby bonus" which averages \$6.50 per month per child, and the U. S. has no such plan.

Check Housing Costs

Housing costs, then, may be the deciding factor in whether to exchange one country for the other as a permanent home. The same growth factor which puts Canada's general living costs closer to the U. S. also is raising rents in certain cities. If you move from a "growth" area in one country to a similar thriving area in the other, you probably won't notice higher rents or home-buying costs. The pinch will come if you move from a rural or stable area to a new industrial hot spot. Don't be deceived by the higher salary offers, because the difference between income and expense may be smaller than it looks.

Breaktime

The Scotsman was arguing with the conductor as to whether the fare was to be five or ten cents. Finally, the disgusted conductor picked up the Scot's suitcase and tossed it off the train just as they crossed a long bridge. It landed with a mighty splash.

"Hoot mon," screamed the Scot. "First you try to rob me and now you've drowned my boy."

On the first day of school, the teacher announced that anyone who had to visit the washroom should hold up two fingers. One perplexed lad held up his hand to ask, "How's that going to help?"

A bum asked for 20 cents for a cup of coffee. The man he accosted said, "I thought coffee was only a dime."

"Yeah, but I've got a date," said the bum.

On a dark and stormy night the trainman was signaling to the engineer when he dropped his lantern to the ground. Another man passing by tossed it back to him on top of the boxcar. In a few minutes the engineer came rushing up.

"Let's see you do that again!" demanded the engineer.

"Do what?" said the trainman.

"Jump from the ground to the top of the boxcar!"

Good Community Relations

(Continued from page 5)

with him. We encourage young people to save and give them such reasons as college, vacations, Christmas and summer camps."

Youths visit the credit union office each Saturday morning. Their favorite meeting spot is the bulletin board, which includes financial information, newspaper clippings, magazine articles and pictures.

Homestead loans were started in the depression, when few low-income families owned homes. The credit union helped members to buy lots; sometimes it took three years to pay for the \$200 or \$500 lots. The homestead-loan reduced interest scale also applies to home-improvement loans that are large enough to necessitate using the home as security.

"In 1952 when we increased our field of membership to a 25-mile radius of Hereford," Mrs. Benson says, "we asked for an amendment to include organizations. This has been a very definite way of serving our community, and it is a fine contact for new members. We make loans to organizations using three or more of their officers or trustees for completing transactions. In 1953 and 1954 I made a special effort to talk to all civic clubs and publicize the fact that the credit union was not linked in any manner to a welfare program."

Several years back, the credit union's small office forced the use of an appointment system for interviews. The system is still used in the new building, with appointments taken between 8:30 a.m. and 4 p.m. weekdays and 8:30 to noon on Saturday. Mrs. Benson and Mrs. Howard handle all loan interviews, except during rush hours when the cashier also lends a hand.

Annual meeting draws 500

The education committee's main job is to plan annual membership meetings. These are now held in the high school auditorium, and attract between 400 and 500. Radio and newspaper advertising publicizes the meetings, and the credit union gives away pocket calendars with the annual meeting date in red. Following each annual meeting, the credit union advertises its financial statement in

Hereford and Dimmitt newspapers.

Members found the credit union convenient last year to the tune of \$1,266,280.72 in loans. Typical of a community credit union's main service area, the Hereford credit union's biggest loan demand was \$623,692.18 for 658 loans to consolidate debts. Auto financing ranked next, 319 loans for \$420,173.26. Furniture and household appliances, with 180 loans, totaled \$83,010.28, and homes and home improvements, with 19 loans, totaled \$48,192. Credit union help in local business was also evident, with 36 loans for business ventures totaling \$45,000, including 17 farming loans for \$34,000.

When Mrs. Benson left welfare work, the credit union was forced to find a new home. For \$85 per month they rented a small office across the street from the courthouse. In March, 1953, when the office moved, the credit union had \$225,000 in assets. By December it had grown to \$347,000, and starting that year the credit union grew about \$200,000 each year. Mrs. Benson says, "This all proves that as many times as we had told the credit union story, there were many who had not heard it, or did not find it convenient to seek us out in the courthouse."

Building carefully planned

It took the credit union seventeen years to move from the county courthouse to a small rented office. Two years later the directors paid \$6,000 for a downtown lot, and by December 26, 1956, a new building was occupied. Total cost, including architect fees, lot and paving, was \$44,129.14. Furniture, fixtures and office equipment added another \$10,000.

The building is directly across from the county courthouse. A 15-foot driveway passes by the drive-in window, then out a one-way alley which the credit union paved. The building itself is 35 by 65, with a carport on the rear 40 by 22 designed for possible future office expansion. There's also room for growth in front, provided by a 10-foot concrete approach.

Two loan offices, separated by eye-height glass partitions, adjoin the executive office, and the cashier's office connects the loan section with the bookkeeping area. Out of direct sight behind the bookkeeping department is an 8 by 10 office, which fed-

The Hereford Leaders

Officers and directors of Hereford Texas Federal Credit Union are a bedrock of experience. Here are some examples:

Robert L. Thompson—educational committee 1940-41; chairman supervisory committee 1942-46; president 1947-57.

A. J. Schroeter—director 1943-57; vice president 1956-57.

Fred Baird—supervisory committee 1937-41; vice president 1942-45; president 1946; director 1949; chairman supervisory committee 1950-57.

O. L. Bybee—director 1950-57.

H. E. Henslee—credit committee 1942-57.

Mrs. Cecil Williams—director 1937-38; educational and nominating committees, 1940s; credit committee 1955-57.

Russell Hunter—credit committee 1953-57.

Mrs. Pauline L. Howard—clerk and assistant treasurer, 1946-57.

eral examiners and supervisory committeemen find useful. Two rest rooms, a utility closet, a heating system and air conditioner and a vault complete the building.

The credit union made a \$1,900 investment in a drive-in window, which gets steady use even during the winter. Tinted, bullet-proof glass affords complete vision from inside and out. A six-inch stainless steel counter has a manually-operated deal drawer, two-way speaker system, one cash and one storage drawer.

As an added service, the credit union is thinking of providing an insurance desk. Then, when property is offered for loan security and insurance on the property is needed, the member will have a desk and telephone from which to contact his agent. The credit union has never sold insurance nor recommended any type.

Mrs. Benson says, "We hope that the story of our building will encourage other credit unions to build. We think that material evidence adds prestige, and with prestige comes greater use of our services. I am a conservative person, but I consider the investment in a good building as real investment for growth. When credit unions move into a building of

credit union career people...



Learn more about your job this summer in two eventful weeks at the University of Wisconsin!

You can develop your personal resources for doing a better credit union job, you can get greater satisfaction from your work, by enrolling for the CUNA summer school for credit union personnel.

For the fourth year, 150 credit union professional employees will gather on the Wisconsin campus July 14-27 to study credit union philosophy, problems and procedures.

Introductory, intermediate and advanced courses are spread over a three-year sequence. Last year the first group completed three years of summer school studies, and these graduates are already moving into leadership positions in the credit union movement.

You can start the summer school sequence this year for \$145, which covers tuition, room and board on the campus, and campus privileges.

Some scholarship funds are available.

An outstanding faculty has been assembled to work with you in the areas of management, communications, human relations, operations, economics, psychology and sociology. You will have opportunity to learn in a wide variety of groupings.

A daily recreational program will insure you adequate time to enjoy the beautiful setting in which the University of Wisconsin is located.

Enroll now and build up your credit union know-how!

SEND THE COUPON TODAY FOR FULLER INFORMATION!

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TODAY FOR FULLER
INFORMATION**



CUNA EDUCATION DEPARTMENT

Box 431, Madison, Wisconsin

NAME.....

CREDIT UNION.....

STREET.....

CITY.....ZONE.....STATE.....

their own, they will be able to give space to the member for private interviews and do a better job for the overall credit union interpretation and operation."

The credit union changed to machine bookkeeping at the \$400,000 assets line. Now Mrs. Benson recommends that credit unions change to machine bookkeeping when they reach \$200,000 assets. "Machine bookkeeping is not only a more efficient way of handling records," she says, "but it gives the very best record for our members and saves much time, to be spent in more profitable service to the member. We advertise that a credit union member can make a transaction at our cashier desk and leave within a minute and a half with a current receipt and record."

In 1955, when the credit union added a third employee, salaries rose to \$12,350. A fourth employee in 1956 raised salaries to \$14,555 and the fifth employee, added in February this year, brought the payroll to \$18,360, in addition to the \$25 lawyer's monthly retainer fee.

The credit union encourages mail payments by paying postage both ways and furnishing self-addressed envelopes. Mrs. Benson says, "We always return with that self-addressed envelope a check on our member's bank with our name stamped in. Many have told us that it is that little check, all filled out and envelope ready, that makes it easy for them to send us that passbook and payment."

Newsletter gives information

The credit union makes still another use of mail by issuing a newsletter, returning it with passbooks sent with mail-in payments and mailing the newsletter directly to other members. The crush of the building program in 1956 cut the newsletter down to only one issue, but it was put back on a regular schedule this year. The newsletter contains news of credit union activity on the local, chapter, league and national level.

Around Hereford the folks are proud of their credit union building showpiece, and they talk admiringly about Dy Benson.

Jimmy Gillentine, the cigar-chewing editor and publisher of the Hereford Brand, says, "Everybody knows that Dy wasn't much of a well-fare worker because she didn't believe in outright doles. She has made the credit union one of our best

friends. They're good advertisers and they're also a good source of news." The Brand recently carried a picture story on a disabled young man whose credit union loan was paid off by the credit union's loan protection insurance.

Robert Thompson, the credit union president and a high school teacher, says, "We're pretty proud of our credit union, but for your story I think you could say that Dy Benson is the credit union. She has more friends than anybody else in this town."

Townsend Douglas, the Hereford State Bank president, who has a new building that he likes to exhibit, says, "We were awfully proud when the credit union moved into its new building. We think it's a fine addition to the town. They certainly have made things convenient for the members."

"Our credit union has helped our community grow," Dy Benson says, "by keeping business at home. Merchants as well as insurance agents receive our checks which help cash registers keep ringing. Hundreds of other communities need this same security, and the strength of our

communities means the strength of our nation.

"The community represents families—and the family unit is indeed the core of our nation.

"My interest is in the organization of more credit unions, and the successful operation of those now in existence. A credit union need not be large to be successful. I believe the successful credit union is that one which is serving its members under its true purpose of organization. It is my belief that the larger credit unions should give back something to the credit union movement, and this can be done in many ways. Depending on the leadership, the large credit union should be able to contribute greatly to public relations, publicity and education which will encourage the organization of new credit unions. Also they should contribute toward good legislation, which will promote security and success of those credit unions now in existence. When I am serving on the League Board and face an issue, I always ask myself this question, 'Will it be good for all credit unions, especially the little credit union?' If the answer seems to be yes, then my vote is for that measure."

CUNA Meeting

(Continued from page 7)

in which adequate safeguards could not be established against harmful misrepresentations.

The rising dues schedule adopted by the CUNA national directors at the 1955 annual meeting was also attacked. While the new program of CUNA was generally praised, the national directors voted to stop the dues increases at eight cents per member. Under the earlier schedule, CUNA dues had been scheduled to rise to ten cents per member in 1960. Income for fiscal 1957 is not affected.

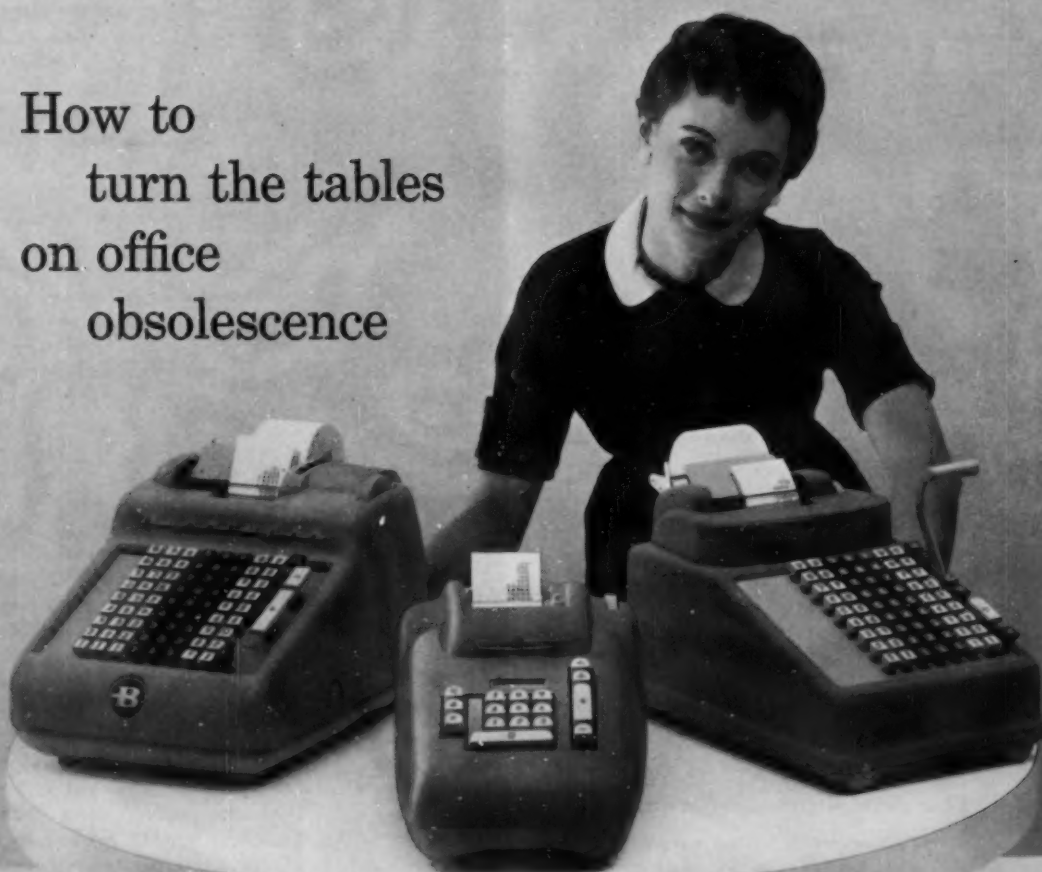
Extended debate took place over by-law amendments intended to give the seven CUNA districts maximum local power to elect their own representatives on the executive committee. Traditionally, the annual meeting has automatically approved the nominees of the districts, electing only three officers (president, secretary and treasurer) at large. However, this tradition broke down last year

when candidates were nominated from the floor for all but one executive committee position.

The numerous by-law amendments proposed to eliminate similar contests in the future proved more confusing than effective. After long and earnest debate, the meeting voted to table the subject until 1958. One result was that again a contest broke out over district nominations. Two district nominees—McArthur of Illinois and Parsons of New Mexico—were unopposed; but the sentiment in favor of district autonomy was clear, and both McArthur and Parsons were elected, in spite of the fact that they were the only two successful candidates from the Bowman group.

Operation Impact, new CUNA program on which CUNA and CUNA Supply will cooperate to produce a large new volume of advertising and educational materials, was a major feature of the CUNA Supply membership meeting. Kent Francis, director of the CUNA special projects department, distributed copies of a tar-

How to
turn the tables
on office
obsolescence



Call the roll of Burroughs adding machines:
The Ten Key (choice of 4 attractive colors).
The Director full keyboard (same color
choice). And the low-priced Thriftline in
new soft Amber Gray styling.

Here are *the* truly modern machines of today
—and *tomorrow*—in their ultra-quiet
operation. Their perennial accuracy and
dependability. Their smart styling. Their
shadow-touch operation. Their self-repeating
multiplication key, and in the electric models
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For a convincing free demonstration call our
local branch office or dealer, listed in the
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material you can use

• REPRINTS

Bridge reprints available
at 5 cents each or \$3.80
per hundred plus postage

FOR MEMBERS

The Threat of Revolving Credit (December, 1956)

Tells how department stores are switching their customers from charge accounts to revolving credit accounts, leading unwary shoppers to pay 12 percent or higher on even small purchases.

Nine Credit Rackets (September, 1956)

Tells how unscrupulous dealers and salesmen use conditional sales contracts, wage assignments, confession judgments, phony receipts and other devices to tie up customers with usurious charges.

Your Legal Rights as a Borrower (January, 1957)

Tells members the various ways in which they may become debtors, the laws that protect them, the legal methods their creditors may employ against them, the traps they should look out for.

A Calendar for Bargain Hunters (January, 1957)

Lists the major clearance sales month by month, tells when various food products are good buys, guides the member who wants to save money by buying the right thing at the right time. Good all year round.

get sheet, a brochure and a how-to-do-it folder describing Operation Impact, and discussed the materials that will be forthcoming during the next year. A goal of 33,000,000 credit union members in 1962 is not out of line, Francis declared.

An educational meeting of CUNA Mutual policyholders took place in lieu of the regular policyholders' business meeting which occurs every even-numbered year. Paul Deaton, recently chairman of a policyholders committee to investigate CUNA Mutual's operations, reported that the company is in excellent condition, with an efficient staff, ample reserves and a liberal claims policy. The policyholders voted to recommend amendments to the articles of incorporation providing a greater voice for policyholders in by-law amendments.

The CUNA election produced an executive committee with six new faces. The CUNA Supply board added three new members. CUNA Mutual held no elections to the board, but elected a new president, vice president, secretary and treasurer from the board elected in 1956.

The question of appointing a joint managing director for CUNA and CUNA Mutual has lost its urgency, it became evident at a joint board meeting May 11. Spokesmen for both groups referred to the advantages of maintaining separate management; and when H. Vance Austin was reappointed managing director of CUNA and C. F. Eikel Jr. was reappointed managing director of CUNA Mutual, there were no dissenting votes.

Building plans for CUNA and its affiliates took forward steps. At the end of the meeting, discussion had reached a point where it looked as if CUNA Mutual would sell its share of Filene House, Madison, Wisconsin, to CUNA for \$140,000. The next step would be construction of an industrial type building for CUNA Supply's printing operations. Following this, CUNA Mutual would construct its own building on the Filene House property, which is a 4½ acre plot bordering on a lake and public park.

Other elections: John Brady was elected comptroller of the Credit Union National Association. He has been acting comptroller since January 1.

Paul Roberts, managing director of the Missouri League, was elected president of the National Association

(Continued on page 30)

Credit Union Bridge

BOX 431, MADISON 1, WISCONSIN

Please send us the following materials:

TITLE	QUANTITY

NAME

CREDIT UNION

ADDRESS

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☐ Bill us.

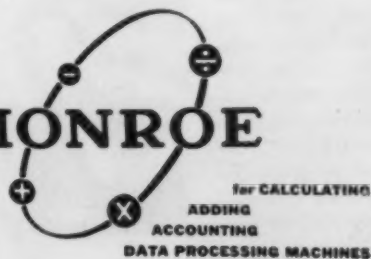
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The New **MONROE** *President*

With its stunning new President model, Monroe introduces more than a new accounting machine... Monroe establishes an entirely new ratio between what you pay and what you get in machine accounting. Now, for the first time, *any* business can enjoy all the benefits of *big business bookkeeping* at a price actually hundreds of dollars less than before! And job changing flexibility is built right into every model in the President line. With the flick of a knob accounts receivable, payroll, cost control, accounts payable... all become mechanized operations. Look at the price tag on this machine. Then put your own price tag on what machine accounting can do for you. Speed receivables by getting statements out faster. Build prestige with neat looking records. Put credit data at your fingertips. Control your work so it flows easily and always accurately. Write or telephone Monroe Calculating Machine Company, Inc. General offices: Orange, N. J. Offices throughout the world.

See the MAN from **MONROE**



of Managing Directors. Other NAMD officers: Robert Ingram of Ontario, Tom Landers of the District of Columbia, Paul Mullins of Texas, Robert Smith of Pennsylvania.

D.C., Illinois Leagues Add

Paul E. Hebert and William A. Tarris have been appointed field representatives for the District of Columbia and Illinois leagues, respectively. Both assumed their new duties in March.

Paul E. Hebert, field representative for the District of Columbia Credit Union League, has been active in the credit union movement for some five years.

Before joining the league staff, Hebert was manager of the Treasury Department Federal Credit Union in Washington, D.C. During that time he added to his overall knowledge of credit unions by attending two semesters of the American University's credit union course.

A graduate of George Washington University with the class of 1951, Hebert also attended the Université de Grenoble from 1951 to 1952 and received a Certificat d'Etudes Françaises. After returning to Washington, he continued his graduate studies at George Washington University for an additional year.

Hebert has participated in the D.C. League management conference of Allenberry, Pennsylvania, and has contributed to the league's credit union course at American University.

William A. Tarris will serve the credit unions of Illinois in the Alton-Wood River, Egyptian and Southern Illinois chapters.

From 1947 until its liquidation in April of last year, Tarris was personnel director of the Granite City plant of the Nesco division of the New York Shipbuilding Corporation. During these nine years he administered the complete personnel program, including contract negotiations with both the CIO and



AF of L. for a company of 1200 employees.

He helped organize the Nesco Credit Union and remained on its board of directors until the plant ceased operations a year ago. He has since that time been a member of the committee which is liquidating the credit union.

The new field representative attended evening classes at Washington University in St. Louis. He majored in personnel administration and accounting.

A native of St. Louis, Tarris is 43 years old, married and the father of a nine-year-old child.

PR Woman Joins CUNA

Franklyn Webb has been appointed secretary of the Credit Union National Association's Public Relations Department in the Canadian office at Hamilton, Ontario.

Mrs. Webb brings to her new position many years of experience in the newspaper, magazine and radio writing fields. She has worked on the Stratford Beacon-Herald, Plant Administration, and most recently for radio station CKOC, Hamilton. At one time she owned and edited a weekly newspaper distributed to naval families in the Halifax, Nova Scotia, area.

The new secretary is well-acquainted with credit unions. For the past ten years her husband has been a member of Hamilton Municipal Credit Union. "The credit union has helped us over many a rough spot," Mrs. Webb says.



New Field Men

Two credit union leagues added field representatives to their staffs during April. The new staff members are Thomas M. Durkin for Connecticut and John Matthews for Michigan.

Thomas M. Durkin assumed the position of field representative of the Connecticut Credit Union League last April 1.

He has been assistant treasurer, member of the board of directors, and secretary (clerk) of the Merrow Machine Employees Federal Credit Union of Hartford, Connecticut, of which he is a charter member.

Prior to becoming a full-time league employee, Durkin was associated with the Merrow Machine Company. He was employed there continuously since World War II, with the exception of sixteen months of service in Korea. During World War II he served for three years in the U.S. Navy.

A native of Hartford, Durkin presently resides in Cromwell, Connecticut. He is twenty-nine, married and the father of two children.

John Matthews joined the staff of the Michigan Credit Union League as a field representative effective April 1, 1957. He will be assigned to Grand Rapids.

The new field representative is treasurer and was one of the organizers of the Flint Columbus Credit Union.

Before coming to the Michigan Credit Union League, Matthews was a payroll accountant at the Ternstedt Division of the General Motors Corporation.

Matthews attended St. Michaels high school in Flint. He is a graduate of the University of Detroit with a Bachelor of Science degree in accounting.

A native of Detroit, Matthews is thirty-two. He has lived in Flint for the last twenty years. He is married and the father of four children.



Michigan PR Man

Gerald Cook has been appointed to the staff of the Michigan Credit Union League public relations department. He will edit the league's magazine *Contact*, and handle press and radio relations.

A native of Missouri, Cook came to the league from New York City where he was active in magazine and public relations work. For five years he edited *Everywoman's Magazine* there. He had previously been a newspaper man for seven years, one of which he spent in Europe.

Educated in California (UCLA,



MAKE YOUR
VACATION TIME

A REAL
PLEASURE



Dear Credit Union Member:

When vacation time comes around, what does a sensible driver do?

1. On long trips, carry a thermos of coffee. It's a life saver.
2. Sun glasses will do a lot to make driving easier on glaring summer days. Get good ones — cheap ones may strain your eyes. Some people like to carry a good eye wash with them.
3. A pillow carried in the car may make it easier to take naps.
4. Check your first-aid kit for sunburn lotion, insect repellent and something to take care of poison ivy.
5. Have you got a flashing red signal light in case you have to change tires at night? Is your jack strong and reliable?
6. Auto accidents increase during the summer. Check your insurance. Have you got:

Property damage (up to \$10,000)

Bodily injury (at least \$25,000 - \$50,000)

Collision (\$100 deductible)

Comprehensive

Medical payments (don't overlook this valuable protection!)

Labor and towing (this can be very handy)

7. For boating, camping or fishing, remember: it is cheaper to finance your equipment with a credit union loan than on the usual installment plan terms.

8. Don't wear yourself out. There's plenty of chance for that during the rest of the year!

Your credit union can help you with auto insurance, as well as with loans for cars, vacations, boats, fishing tackle, or anything else you need. As a member, you're entitled to come in any time and just ask questions. Don't hesitate to make use of this service in any way.

CUNA AUTO INSURANCE PROGRAM



The credit union auto insurance program was established by mutual agreement between the Credit Union National Association and the Employers Mutuals of Wausau, Wisconsin. Nearly 1,000 credit unions take part in this program. This wholesale bargaining approach to insurance is your best protection. You are insured by a top-rated company and doubly protected by the prestige and reputation of the organized credit union movement.

class of '38), Cook is a veteran of World War II. He is married and the father of two boys.

Texas Names Two

On March 1, John M. Stanton rejoined the staff of the Texas Credit Union League as assistant training director after an absence of eleven months. Originally hired as a field representative in November 1954, Stanton resigned in April 1956 to return to Kansas and accept employment as Administrative and accounting division manager at Fort Leavenworth. He is a graduate of Maur Hill High School, Atchison, Kansas, and subsequently attended St. Benedict's College in Atchison, where he majored in business administration.

While at St. Benedict's, Stanton became interested in credit unions; and after his discharge from the army in 1953, upon completion of 33 months in the Far East Command of the Army Finance Corps, he served as treasurer of the L.F.M. Credit Union in Atchison until employed by the Texas Credit Union League.

He is married, father of two sons, and a member of a number of veteran and social organizations.

David M. Williams joined the Texas Credit Union League as a field representative on April 15. Williams graduated from Ball High School, Galveston in 1941. He served three years in U.S. Air Force and was discharged as a staff sergeant. Subsequently he attended Southern Methodist University, where he majored in personnel administration.

While employed by the Southwestern Life Insurance Company of Dallas as an accountant, he became interested in credit unions and was elected treasurer of the Southwestern Life Employees, Credit Union in 1955, serving in this capacity until his employment as a field represent-



ative for the Texas Credit Union League.

Williams is married, father of three children and a member of the Methodist Church, where he served as finance committee chairman; as a member of the board of stewards, and as chairman of the public relations committee. He is also a member of the finance committee for Troop 33, Boy Scouts of America.

Temporarily headquartered in Dallas, Williams will be assigned to one of the six field representative districts upon completion of his training.

Mutual Adds Two

Larry M. Dunne of Davenport, Iowa, has been appointed a special representative for the CUNA Mutual Insurance Society. His territory will be the state of Idaho.

Active in the credit union movement since 1943, Dunne was a director of the Trail Credit Union in Trail B.C., from 1943 to 1955. In 1954 he was elected a league director in British Columbia. During the following year he became a national director of CUNA, representing the province of British Columbia.

Dunne was a field representative for the Iowa Credit Union League for two years and is a graduate of the school for credit union personnel with the class of 1956.

Born on February 22, 1916, in Prince Albert, Saskatchewan, Dunne is married to the former Ada Littler. The Dunnes have two children.

John L. Purdy of Winnipeg, Manitoba, was appointed special representative for CUNA Mutual Insurance Society earlier this year.

He has been active in the credit union movement in Canada since November 1951, when he was appointed assistant manager of the credit union league of Manitoba, Ltd. Purdy served in this capacity until February of this year. He was also



affiliated with the Co-op Credit Society of Manitoba, Ltd.

Prior to joining the Manitoba League, Purdy was assistant accountant of the Manitoba Blue Cross.

The special representative's professional training includes studies toward the CPA degree at the University of Toronto (extension) and the Angus School of Accounting.

COMING EVENTS

June 8—**Quebec** Credit Union League annual meeting.

June 13-15—**British Columbia** Credit Union League annual meeting, Brock Hall, University of British Columbia, Vancouver, British Columbia.

June 13-16—**New York** State Credit Union League annual meeting, Laurels Country Club, Sackett Lake, Monticello, New York.

June 15-16—**Montana** Credit Union League annual meeting, Finlen Hotel, Butte, Montana.

June 22—**Brunswick** Credit Union Federation annual meeting, Fredericton, New Brunswick.

July 4—**Prince Edward Island** Credit Union League annual convention, Charlottetown, P.E.I.

July 11-13—**Nova Scotia** Credit Union League annual convention, Antigonish, Nova Scotia.

September 27-28—**Wisconsin** Credit Union League annual meeting, Schroeder Hotel, Milwaukee, Wisconsin.

October 4-5—**Indiana** Credit Union League annual meeting, Sheraton Hotel, French Lick, Indiana.

October 5—**Maine** Credit Union League annual meeting, Eastland Hotel, Portland, Maine.

October 17-19—**Florida** Credit Union League annual meeting, San Juan Hotel, Orlando, Florida.

November 1-3—**California** Credit Union League annual meeting, Long Beach, California.

November 21-24—**Missouri** Credit Union League annual meeting, Hotel President, Kansas City, Missouri.

CLASSIFIED

POSITION WANTED: assistant manager, interviewer or counselor. Young man, willing to relocate, available immediately, has over 2 years experience with debt management firm in middle west. Write Box A31.

POSITION WANTED: credit union manager. Career man available for full-time connection. Eleven years experience, including six as Federal Examiner and three as full-time manager. Thoroughly experienced credit and collections, service to members, internal controls, machine accounting. Outstanding references. Prefer metropolitan New York or New Jersey. Write Box A32.

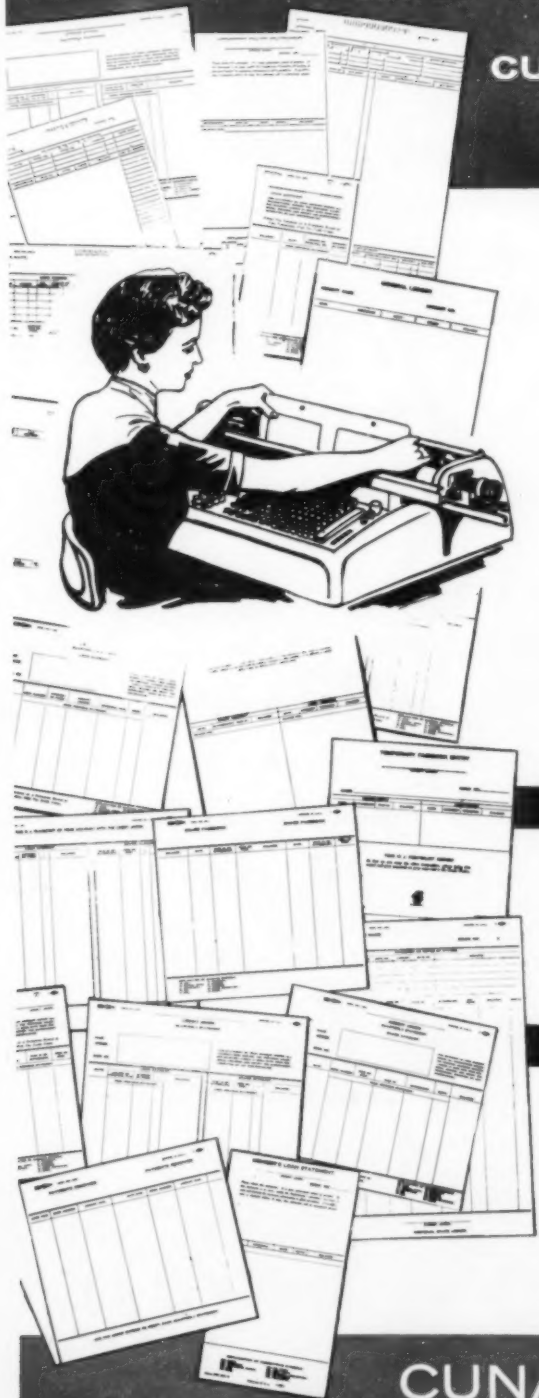
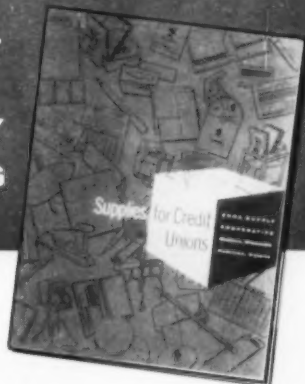
MANAGING DIRECTOR wanted by credit union league, should be qualified to manage league office and central credit union. Applicants should specify credit union experience and salary expected. Mark envelope "application" and address to Credit Union League of Alberta, 223-7th Avenue E., Calgary, Alberta.

POSITION WANTED in credit union in low-humidity area; man with 7 years experience credit union operations, 15 years running bookkeeping service as sideline; extensive training bookkeeping, auditing, office management, credits, collections; student CUNA school; best references; no objection to travel. Box A33.

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Order the accounting machine forms you need direct from your own printers at CUNA Supply Cooperative. They save you mistakes and delays because they handle only approved credit union forms.

The CUNA Supply catalog has a detailed listing of forms for the accounting machines named below. CUNA Supply Cooperative can also furnish any other special or standard forms to order, including carbon-interleaved forms of every description. Send us your problem.

MOST FORMS IN STOCK FOR THESE MACHINES:

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FORMS OF THESE TYPES PRINTED TO ORDER:

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- carbon-interleaved forms
- imprinted forms
- stock machine forms

CUNA Supply Cooperative

BOX 333, MADISON, WISCONSIN • BOX 65, HAMILTON, ONTARIO



WILLIAM M. LENNOX

SHERIFF OF PHILADELPHIA COUNTY . . .

"I've been a member of the K of C Philadelphia Federal Credit Union for twenty years. I've seen the remarkable service the credit union movement can give. I am president of our K of C Auto Club, with 3500 members, so here, too, I know what reliance on CUNA MUTUAL's insurance can mean when it comes to saving or borrowing for a car. In fact, I recently purchased one through our credit union, and Mrs. Lennox and I have a real sense of security about it. My son, too, is helping to pay for his college education with the money he saved through our CUNA MUTUAL-insured K of C credit union."



ANTHONY J. CALDERAIO

416 NORTH 65 STREET, PHILADELPHIA . . .

"Until January, 1956, I was a general contractor. So when I was told, following a major operation at that time, that I could do no more heavy work, you can imagine how hard it hit. I have a wife and son to support, and all in all the future looked pretty bad . . . particularly when I had over \$3,000 left to pay back on my loan from our K of C credit union. That's when Mr. Girvan came into the picture. He contacted CUNA MUTUAL and, with my doctor, explained my permanent disability. That's about all there was to it. CUNA MUTUAL, through its Loan Protection department, paid back the loan in full! Today I earn my living building models, and the future looks fine . . . thanks to the K of C credit union and the fresh start it gave me through CUNA MUTUAL Insurance!"

PHILADELPHIA'S K of C FEDERAL CREDIT UNION THANKS CUNA MUTUAL FOR ITS VITAL ROLE IN GROWTH AND SERVICE

James J. Girvan

TREASURER, PHILADELPHIA K OF C FEDERAL CREDIT UNION

... Since its beginning, in 1936, with 173 members, our K of C Credit Union has grown to a membership of 2,647! We attribute a very great share of this growth to CUNA MUTUAL. Its Loan Protection and Life Savings Insurance policies have removed a burden of more than \$55,000 from the families of our members. The K of C Credit Union offers individual guidance and counseling to help our members plan their financial problems sensibly. And this service always relies greatly on that wonderful CUNA MUTUAL protection, whether for a savings program or a loan. ”

Your future security is with

**CUNA MUTUAL
INSURANCE SOCIETY**

MADISON, WISCONSIN •

HAMILTON, ONTARIO

SERVING CREDIT UNIONS



IN THE WESTERN HEMISPHERE